

RIVER HALL

COMMUNITY DEVELOPMENT DISTRICT

June 29, 2020

BOARD OF SUPERVISORS SPECIAL VIRTUAL PUBLIC MEETING AGENDA

River Hall Community Development District
OFFICE OF THE DISTRICT MANAGER
2300 Glades Road, Suite 410W•Boca Raton, Florida 33431
Phone: (561) 570-0010•Toll-free: (877) 276-0889•Fax: (561) 571-0013

June 22, 2020

Board of Supervisors
River Hall Community Development District

Dear Board Members:

The Board of Supervisors of the River Hall Community Development District will hold a Special Virtual Public Meeting on June 29, 2020, at 3:30 p.m., by visiting <https://us02web.zoom.us/j/82846517510> or by calling **1-929-205-6099**, followed by meeting ID **828 4651 7510**. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments (3 minutes per speaker)
3. Presentation/Discussion: Bond/Bankruptcy Report
4. NEXT MEETING DATE: July 9, 2020 at 3:30 P.M.
5. Public Comments: Non-Agenda Items (*3 minutes per speaker*)
6. Supervisors' Comments/Requests
7. Adjournment

“Further, please be advised that the Florida Governor’s Office has declared a state of emergency due to the Coronavirus (COVID-19). As reported by the Center for Disease Control and World Health Organization, COVID-19 can spread from person-to-person through small droplets from the nose or mouth, including when an individual coughs or sneezes. These droplets may land on objects and surfaces. Other people may contract COVID-19 by touching these objects or surfaces, then touching their eyes, nose or mouth. Therefore, merely cleaning facilities, while extremely important and vital in this crisis, may not be enough to stop the spread of this virus.”

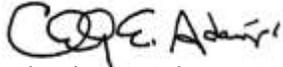
“That said, the District wants to encourage public participation in a safe and efficient manner. Toward that end, anyone wishing to listen and participate in the meeting can visit <https://us02web.zoom.us/j/82846517510> or call **1-929-205-6099**, followed by meeting ID **828 4651 7510**. Additionally, participants are encouraged to submit questions and comments to the District’s manager at adamsc@whhassociates.com.”

ATTENDEES:

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

Should you have any questions, please do not hesitate to contact me directly at (239) 464-7114.

Sincerely,



Chesley E. Adams, Jr.
District Manager

OPTIONS FOR MEETING PARTICIPATION

<https://us02web.zoom.us/j/82846517510>

OR

CALL IN NUMBER: 1-929-205-6099

MEETING ID: 828 4651 7510

RIVER HALL
COMMUNITY DEVELOPMENT DISTRICT

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Anthony P. Pires, Jr.

Respond to the Naples Office:
3200 Tamiami Trail North, Suite 200
Naples, FL 34103
Phone: 239-649-6555
Facsimile: 239-649-7342
E-Mail: apires@wpl-Legal.com

MEMORANDUM

TO: River Hall Community Development District (RHCDD)
FROM: Anthony P. Pires, Jr. Esq. 
DATE: June 22, 2020
RE: Request of RH Venture II, LLC And RH Venture III, LLC, For Issuance of RHCDD
Capital Improvement Revenue Bonds

INTRODUCTION AND BACKGROUND

In preparing this Memorandum, numerous and voluminous minutes, records, documents, filings and agreements requested from and provided by the District Manager were reviewed. These included meeting agendas and meeting minutes of the RHCDD, certain documents from the Crescent Resources bankruptcy case and various emails. In addition, using the "PACER Case Locator" service maintained by the Administrative Office of the U.S. Courts, PACER Service Center, numerous additional documents filed in the Crescent Resources bankruptcy case were retrieved and reviewed.¹ Recognizing that the District Manager may not be in possession of all pertinent various files and documents, I appreciate their prompt and timely responses to my requests for additional information or documents.

The River Hall Community Development District ("RHCDD" or "District") is a community development district which charter is Chapter 190, Florida Statutes (the "Act"), established by the Florida Land and Water Adjudicatory Commission ("FLAWAC") by FLAWAC'S adoption of Rule 42YY-1.001, F.A.C.

Section 190.011, F.S. provides the general corporate powers that community development districts may exercise, including the authority to contract, apply for retirement

¹ Ch. 11 Case No. 09-11507-CAG, U.S. Bankruptcy Court, Western District Of Texas, Austin Division ("Bankruptcy Case"). Note that not all of the 2,671 Docket Entries (filings) between June 2009 and March 2016 in the Bankruptcy Case were retrieved or reviewed.

coverage for employees, borrow money and adopt administrative rules for the district. Section 190.012, F.S. makes provision for special powers of community development districts. Section 190.012(1), F.S. recognizes that a community development district may finance, establish, construct, equip, operate, and maintain systems and facilities for basic infrastructures of the district. These basic infrastructures may include water management and control facilities, water supply, sewer, and wastewater management systems, bridges or culverts within the district, and district roads.

As the Florida Supreme Court recognized in *State v. Frontier Acres Community Development District Pasco County*, 472 So. 2d 455, 457 (Fla. 1985), "Chapter 190 was enacted to address this State's concern for community infrastructure[.]" The Court went on to note that:

"Consistent with this objective, the powers exercised by these districts must comply with all applicable policies and regulations of statutes and ordinances enacted by popularly elected state and local governments. . . . [T]hese districts' powers implement the single, narrow legislative purpose of ensuring that future growth in this State will be complemented by an adequate community infrastructure provided in a manner compatible with all state and local regulations."

A community development district as a special district has limited authority and may only exercise those powers that are expressly granted to it by law, those that are necessarily implied because they are essential to carry into effect those powers expressly granted or the powers necessary, convenient, incidental, or proper in connection with any of the powers, duties, or purposes authorized by the Act.² While a vast range of community facilities and infrastructure can be provided by a district, as an entity only authorized to accomplish special, limited purposes, it does not possess the broader home rule powers that municipalities and counties have in Florida.

A district does not have any zoning or land use authority or power nor does it have the power of a local government to adopt a comprehensive plan, building code, or land development code and a district cannot take any action which is inconsistent with applicable comprehensive plans, ordinances, or regulations of the applicable local general-purpose government. See Section 190.004(3), F.S.

² See *Halifax Hosp. Med. Ctr. v. State*, 278 So. 3d 545 (Fla. 2019).

A district has the statutory general powers as detailed in Section 190.012(1), F.S., to finance, fund, plan, establish, acquire, construct, reconstruct, enlarge, extend, equip, operate and maintain systems, facilities and basic community infrastructure, including water management, drainage, roads, bridges, culverts, water supply, sewers, reuse/irrigation water, streetlights, conservation and preserve areas, any other project within or without the boundaries of a district when a local government issued a development order pursuant to Sections 380.06 or 380.061, F.S. approving or expressly requiring the construction or funding of the project by the district, or when the project is the subject of an agreement between the district and a governmental entity and is consistent with the local government comprehensive plan of the local government within which the project is to be located.; and, any other project, facility, or service required by a development approval, interlocal agreement, zoning condition, or permit issued by a governmental authority with jurisdiction in the district.

To implement the above powers, a district has the ability to borrow money and issue bonds, or other evidence of indebtedness, including but not limited to assessment bonds, that are special obligations of the district payable solely from the proceeds of the special assessments levied for an assessable project. See Sections 190.003(3),(5); 190.011(9); 190.016, Florida Statutes. The District's full faith and credit is not pledged to the repayment of assessment bonds or to the repayment of revenue bonds secured by or payable from special assessments.

When a district issues a bond, it enters into a trust agreement (trust indenture and subsequently, supplemental trust indentures) which are contracts between the district and a qualified corporate trustee. Pursuant to Section 190.017, Florida Statutes:

The resolution authorizing the issuance of the bonds or such trust agreement may pledge the revenues to be received from any projects of the district and may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as the board may approve, including, without limitation, covenants setting forth the duties of the district in relation to: the acquisition, construction, reconstruction, improvement, maintenance, repair, operation, and insurance of any projects; the fixing and revising of the rates, fees, and charges; and the custody, safeguarding, and application of all moneys and for the employment of consulting engineers in connection with such acquisition, construction, reconstruction, improvement, maintenance, repair, or operation.

As one example of such rights and remedies, districts often covenant in the trust indenture to enforce collection of any delinquent special assessment pledged to repay the debt. In doing so the trust indenture imposes on the district the responsibility to protect the lien of the

assessments and to seek collection of the special assessments, i.e. the pledged revenues, to repay the principal and interest of the bonds.

A. 2005 BOND VALIDATION AND 2005 BONDS

On August 30, 2005, RHCDD obtained the issuance of a Final Judgment (“Final Judgment”, **Attachment “A”**) in a bond validation action in the Circuit Court of Lee County, Florida, validating not to exceed \$125,000,000.00 River Hall Community Development District Capital Improvement Revenue Bonds (the “Bonds”)³. No appeal was taken from the Final Judgment. The Final Judgment in part validated “...all proceedings heretofore taken for the authorization and issuance of the Bonds”, which proceedings included the adoption of Resolution 2005-18 (the “Bond Resolution”, **Attachment “B”**).

The Bond Resolution identified a “Capital Improvement Program” of the RHCDD and made the legislative finding that the “provision of the Capital Improvement Program is an appropriate public purpose and is in the best interests of the District, its landowners and residents.” Thereafter, RHCDD issued its Capital Improvement Revenue Bonds, Series 2005 (the “2005 Bonds”) to in part “finance the Cost of acquiring, constructing and equipping assessable improvements comprising a portion of the Capital Improvement Program for River Hall”.

As part of the issuance of the 2005 Bonds, RHCDD entered into various agreements with two entities defined in the 2005 Bonds Official Statement (“OS”) as the “Master Developer”: Hawks Haven Developers, LLC (“HHD”) and Hawk’s Haven Golf Course Community Developers, LLC, (“HHGCCD”) both Delaware limited liability companies. One of the agreements was that certain “Funding and Completion Agreement” between the Master Developer and RHCDD made and entered into as of October 26, 2005 (the “Funding Agreement” or “Completion Agreement”, **Attachment “C”**).

B. THE BANKRUPTCY CASE

On June 10, 2009, an entity known as Crescent Resources, LLC (its parent and their affiliated debtors and reorganized debtors, the “Debtors”) commenced the Bankruptcy Case. Both entities comprising the defined and described “Master Developer” in the 2005 Bonds were described and listed as Debtors in the Bankruptcy Case.

³ Lee County Circuit Court Case No. 05-CA-00303, the “Validation Action”.

i. Claims of RHCDD

On November 20, 2009, RHCDD filed proofs of claim (collectively, the "Claim", **Attachment "D"**) in the Bankruptcy Case, asserting a general unsecured claim, referencing the Completion Agreement, asserting that the "District is owed the following":

1. as to Hawks Haven Developers, LLC, \$10,555,008.00, representing the estimated costs of the remaining Series 2005 Improvements.
2. as to Hawk's Haven Golf Course Community Developers, LLC, \$10,555,008.00, representing the estimated costs of the remaining Series 2005 Improvements.

At an emergency meeting of the RHCDD held on June 6, 2014, the RHCDD approved a Settlement Offer for the full and complete settlement of the Claim by agreeing to a one time distribution in the amount of \$2,750,705.21. ⁴ (**Attachment "E"**).

Thereafter:

1. on June 18, 2014, the Bankruptcy Court entered an Agreed Order that in pertinent part ordered: "...that the Trust shall make a distribution of \$2,750,705.21 to the River Hall CDD within ten (10) days after entry of this Order, and that *such distribution shall be in full and complete satisfaction of the rights of River Hall CDD under the Plan.*" (**Attachment "G"**)
2. on June 19, 2014, the Trust issued its check #1357 payable to RHCDD in the amount of \$2,750,605.21 "in full settlement" (the "Settlement Check", **Attachment "H-1"**). A document accompanying the Settlement Check (**Attachment "H-2"**) provided in part:

By depositing or cashing the enclosed check from Crescent Resources Litigation Trust (the "Litigation Trust"), you are agreeing to release any and all claims against the Litigation Trust, its Trustee, Board, employees, beneficiaries, attorneys, agents, advisors, consultants, experts, successors, and assigns, the Debtors, and the Creditors' Committee in the Crescent Resources et al. bankruptcy proceedings (collectively, the "Litigation Trust Released Parties") and the Defendant Released Parties, the identities of which are listed on the attached "Exhibit A."

⁴ Although the minutes of the June 6, 2014 meeting reference a mutual release of claim and a Settlement Agreement, the current District Manager has advised that no such documents can be located in the files delivered to them by the prior District Manager. A substantially verbatim transcript of the June 6, 2014 meeting, transcribing an audio recording of the meeting using an on-line transcription service, is attached as **Attachment "F"**.

3. by correspondence dated June 25, 2014 the Settlement Check was delivered to the RHCDD then District Manager, and then, by correspondence dated June 26, 2014, to US Bank as Trustee. (**Attachment "H-3"**) The receipt of the distribution check was also noted in Note 9 of the audit for the RHCDD fiscal year ended September 30, 2014.

ii. The "Substitute Landowner", Restructuring Agreement, 2011 Bonds

As outlined in the "Information Memorandum" dated May 24, 2011 associated with the issuance of the RHCDD Series 2011 Bonds by the RHCDD (the "2011 Bonds"), RH Venture I, LLC, a Florida Limited Liability Company ("RHVI"), through insolvency proceedings in the Bankruptcy Case, purchased the land previously owned by the Master Developer, acquiring such property subject to the lien of the assessments levied to pay the 2005 Bonds. (**Attachment "I"**).

As part of the issuance of the 2011 Bonds, RHCDD, RHVI and the Trustee for the 2005 Bonds entered into a Restructuring Agreement dated as of May 27, 2011 (the "Restructuring Agreement", **Attachment "J"**). The then owners of 100% of the 2005 Bonds executed a Consent and Acknowledgement of Bondholders, in part consenting to the execution and delivery of the Restructuring Agreement and the issuance and delivery of the 2011 Bonds.

Further, in the RHCDD public financing disclosure recorded on February 8, 2013 in the Lee County Official Records (**Attachment "K"**), the then District Manager summarized the restructuring and the Restructuring Agreement as follows:

"In October 2005, the District issued, sold and delivered its \$26,485,000 River Hall Community Development District Capital Improvement Revenue Bonds, Series 2005, in one series (the "2005 Bonds"). Proceeds of the Series 2005 Bonds have been, and will continue to be, used to finance the acquisition and construction of proposed infrastructure improvements to serve the lands within the District.

The 2005 Bonds as originally issued were payable from and secured by Assessments imposed, levied and collected by the District with respect to property specially benefited by the 2005 Project (the "2005 Assessments"). A portion of the 2005 Assessments securing the 2005 Bonds became delinquent and were in default. In order to address the default on the payment of the 2005 Assessments, the District, 100% of the Series 2005 Bondholders, the Trustee and the majority property owner entered into a Restructuring Agreement and agreed to a restructure of the 2005 Bonds.

The Series 2005 Bonds were exchanged for Capital Improvement Revenue Bonds, Series 2011 ("Series 2011 Bonds"), to provide for the repositioning and orderly development of the land in the District. The District issued the Series 2011 Bonds in exchange for the delinquent portion of the 2005 Bonds and amended related Bond Documents as reflected in Resolution 2011-07, adopted by the Board

of Supervisors on May 24, 2011.

Among other things, the Restructuring Agreement recognized that upon execution of the Restructuring Agreement and issuance of the Series 2011 Bonds, there was no further obligation of any party to separately pay any of the delinquent assessments securing the Series 2005 Bonds and there is no further obligation for the District to pay any delinquent amounts owing in debt service for the 2005 Bonds.”

C. THE PROPOSED NEW BONDS

In 2019, RH Venture II, LLC, a Florida limited liability company (RHVII) and RH Venture III, LLC, a Florida limited liability company (RHVIII, collectively, “RH Venture”) initiated a process to request the issuance of Capital Improvement Revenue Bonds (“New Bonds”) by the RHCDD. As part of that process RH Venture engaged the services of various consultants as professionals, including a financial advisor, legal counsel, and engineer (RH Venture Bond Team). In addition, consistent with customary practice associated with financing and bond issuance in Southwest Florida, the District Counsel, District Manager and District Engineer (District Staff), either prepared draft documents or reviewed and commented on drafts of the various documents prepared by bond counsel typically associated with the issuance of community development district revenue bonds.

At a Board meeting held on September 5, 2019, the minutes reflect District Staff made a presentation concerning the proposed New Bonds and a checklist of pros/cons was distributed by the District Manager. (**Attachment “L”**) After that meeting, minutes of Board meetings reflect that beginning with the October 3, 2019 Board meeting, various and numerous concerns and issues were raised by both residents and Board members. A presentation was made by Ms. Donna Feldman at the October 3, 2019 Board meeting under the heading of “Presentation by GreenPointe Holdings Regarding the Series 2019A Bonds”, wherein Ms. Feldman, representing the landowners RHVII and RHVIII, made a presentation on the landowners’ request to have the RHCDD issue bonds to finance infrastructure on lands owned by RH Venture.

After the October 3, 2019 Board meeting, in response to points raised at the meeting, RH Venture submitted a Memorandum from its counsel, Donna Feldman of Feldman & Mahoney, P.A. (**Attachment “M”**) outlining a modified request to the RHCDD with regards to a new bond issue, “Series 2019A Bond Issuance For Assessment Area 3”.

The request by RH Venture, along with numerous questions submitted by Board members, were extensively discussed at the November 7, 2019 Board meeting (**Attachment “N”**).⁵

After a number of exchanges among the Board, the District Counsel and District Manager the Board authorized the engagement of a non-interested attorney to review, evaluate and opine as to various issues and concerns. RHCDD engaged the services of WPL for a limited Scope of Services to entail research and preparation and delivery of a memorandum in an effort to address the issues outlined below (“Issues”) to address various issues concerning the funding of infrastructure in the District.

ISSUES AND OPINIONS

As noted in our engagement agreement, any opinions we provide or express are based solely on the laws of Florida and we do not express any opinion concerning any laws other than the laws of the State of Florida. In addition, we are not providing any opinion, guidance or advise on the application of any bankruptcy laws, tax laws and no opinion is expressed as to such matters. Further, we are not providing any opinion, guidance or advise on the application of any securities or "blue sky" laws, and no opinion is expressed as to such matters. Based upon the foregoing, the following are my opinions, until and unless determined to the contrary in any judicial or administrative proceeding or by any legislative enactment. All of the following opinions and comments are subject to the foregoing caveats as to any opinion or comments that we provide.

1. What is the legal relationship between an entity referred to as “GreenPointe” and RH Venture II?

See below and attached **Composite Attachment “O”**, and from various websites and available public records, including documents in prior bond issues and the 2019 draft documents for the previously proposed New Bonds.

⁵ It is our understanding that since the date that Woodward, Pires & Lombardo, P.A. (“WPL”) was retained, GreenPointe Communities, LLC, through its agents, has held one-on-one discussions with various Board members and made subsequent “update” presentations to the Board as a whole at public meetings, with the most recent public presentation conducted on June 4, 2020.

2. Under what circumstances may the DISTRICT refuse to approve a bond issue requested by a landowner for the construction of infrastructure?

It is our opinion that there are certain circumstances under which the District may refuse to approve a bond issue under the bonds that were validated in the Validation Action. The following are some examples and is not to be considered an exhaustive list of all of the possible circumstances.

As a general matter, the District can refuse to approve a bond issue if the proposed project or projects are outside the scope of the District's powers or authority under its charter, Chapter 190, Florida Statutes.

The District can also refuse to approve a bond issue if the proposed project or projects do not serve a public purpose or if the issuance would breach any covenant or condition of a previous bond issue or borrowing.

The District may also refuse to approve a bond issue if the proposed project or portions thereof are inconsistent with applicable comprehensive plans, ordinances, or regulations of Lee County as the applicable local general-purpose government. See Section 190.004(3), Florida Statutes.

With regards to the RHCDD, in addition to the foregoing constraints, the Final Judgment in the Validation Action was predicated upon a "Capital Improvement Program". Absent a new validation proceeding and final judgment, a person could assert that the Final Judgment conclusively determined that the District can presently refuse to approve a bond issue for a project that is not within the scope of the Capital Improvement Program, i.e. "the District's Projects", presented to the court in the Validation Action, i.e., not "specifically described in the evidence submitted to the Court" and not related to the originally approved "Project" or Capital Improvement Plan.

The District may also refuse to issue a series of bonds if the aggregate principal amount of all outstanding bonds proposed to be issued under the authority of the Final Judgment is in excess of the amount validated in the Validation Action, i.e., greater than \$125,000,000.00.

3. Can a landowner take legal action to force the DISTRICT to issue bonds for the construction of infrastructure? If so, what would be the cause of action?

A landowner is not precluded from filing an action in the courts in an effort to have a court order the District to issue bonds for the construction of infrastructure. There are various types of actions that a party may try to bring against the District, depending on the legal and factual setting.

One type of action that a party may try to pursue is an action in Mandamus to require the District to issue desired bonds. The landowner in a Mandamus action would be called a "petitioner", petitioning a court to issue a Writ of Mandamus directing the respondent (District) to take certain action.

Under established Florida state court case law, in order to obtain the issuance of a writ of mandamus from a court, the petitioner must meet three elements:

1. The respondent (District) must have an indisputable legal duty (i.e. a ministerial duty, devoid of discretion) to perform the requested action;
2. The petitioner must have a clear legal right to the requested relief; and
3. The petitioner must have no other adequate remedy available.

[See *Pleus v. Crist*, 14 So. 3d 941, 945 (Fla. 2009)]

As outlined in *Bd. of County Comm'rs Broward County Fla. v. Parrish*, 154 So. 3rd 412 (Fla 4th DCA 2014):

"Mandamus is a common law remedy used to enforce an established legal right by compelling a person in an official capacity to perform an indisputable ministerial duty required by law." *Poole v. City of Port Orange*, 33 So. 3d 739, 741 (Fla. 5th DCA 2010) (citing *Puckett v. Gentry*, 577 So. 2d 965, 967 (Fla. 5th DCA 1991)). "To be entitled to mandamus relief, the petitioner must have a clear legal right to the requested relief, the respondent must have an indisputable legal duty to perform the requested action, and the petitioner must have no other adequate remedy available." *Barnett v. Antonacci*, 122 So. 3d 400, 404 (Fla. 4th DCA 2013) (quoting *Pleus v. Crist*, 14 So. 3d 941, 945 (Fla. 2009)). Mandamus, therefore, cannot be used "to compel a public agency to exercise its discretionary powers in a given manner," *Dep't of Children & Family Servs. v. Burton*, 802 So. 2d 467, 469 (Fla. 2d DCA 2001) (quoting *Williams v. James*, 684 So. 2d 868, 869 (Fla. 2d DCA 1996)), or in "cases of doubtful right." *State ex rel. Haft v.*

Adams, 238 So. 2d 843, 844 (Fla. 1970) (quoting State ex rel. Perkins v. Lee, 142 Fla. 154, 194 So. 315, 317 (Fla. 1940))

See also *Villa Bellini Ristorante & Lounge, Inc. v. Mancini*, 283 So. 3d 972 (Fla. 2nd DCA 2019).

Further as stated by the court in *Bostic v. State*, 875 So.2d 785 (Fla.2d DCA, 2004):

In considering a petition for a writ of mandamus, the trial court first determines whether the complaint shows a prima facie case for relief by alleging “a clear legal right to performance of the act requested, an indisputable legal duty, and no adequate remedy at law.” Fla. R. Civ. P. 1.630(d); *Smith v. State*, 696 So.2d 814, 816 (Fla. 2d DCA 1997). If so, “the trial court shall issue ... an alternative writ in mandamus that may incorporate the complaint by reference only.” Fla. R. Civ. P. 1.630(d)(3) (emphasis added); see also *Moore v. Ake*, 693 So.2d 697, 698 (Fla. 2d DCA 1997). *An alternative writ “is essentially an order to show cause why the requested relief should not be granted.”* *Conner*, 541 So.2d at 1256. It is then the respondent's burden to come forth with facts on which it based its refusal to perform its legal duty. *Smith*, 696 So.2d at 816. Depending on the response, the trial court then either grants or denies the mandamus petition. *Id.*

Another type of action that a landowner may bring is a Declaratory Judgement action, under the authority of Chapter 86, Florida Statutes, in an effort to have a court determine and adjudicate the landowner’s right to have the District issue a requested series of bonds or to obtain relief from uncertainty with regards to such asserted right, and obtain a declaration of its rights under Florida law or under any asserted contract or agreement, occasioned by the actions or inactions of the District.

4. Can the DISTRICT place conditions on the issuance of bonds for the construction of infrastructure that don’t relate to Chapter 190, Florida Statutes?

As noted above, the District has the statutory general power, as detailed in Section 190.012(1), F.S., to finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate, and maintain systems, facilities, and basic infrastructures outlined in Section 190.012, Florida Statutes.

When the District receives a request for the issuance of bonds, a threshold determination would need to be made as to whether to issue the bonds. That

decision is a discretionary legislative decision and that would be the time to outline the terms and conditions under which the District would issue the bonds. Once the District makes a determination to issue the bonds to pay for the construction or acquisition of infrastructure, the bond issuance must comply with Florida law.

The decision making process would include agreeing on the scope of the project or projects proposed to be financed; the method of financing; the terms and conditions of the bonds and bond covenants, including but not limited to whether the developer would be required to contribute or fund portions of the project without reimbursement; whether a credit facility in the form of a guaranty, guarantees or letter of credit as a credit enhancement, would be required to be provided by the developer or others; whether the developer or others would be required to guarantee payment of special assessments or any special assessment collection shortfalls.

5. Does the DISTRICT have standing to file an action for declaratory judgment to determine whether GreenPointe and/or any entities it “controls” are successor developers to an entity referred to as “Hawk’s Haven”?

In my opinion it is not a question of standing if the proposed scope of such an action would involve extant agreements to which the District is a party or where the District can legitimately assert that it is an intended third party-beneficiary.

The District has the general right to bring a Declaratory Judgment action, under the authority of Chapter 86, Florida Statutes, in an effort to have a court determine and adjudicate:

“...the existence, or nonexistence: (1) Of any immunity, power, privilege, or right; 2) Of any fact upon which the existence or nonexistence of such immunity, power, privilege, or right does or may depend, whether such immunity, power, privilege, or right now exists or will arise in the future. Any person seeking a declaratory judgment may also demand additional, alternative, coercive, subsequent, or supplemental relief in the same action.”

It appears that the question is directed to the ability of the District to engage in litigation to obtain a judicial determination of the “existence, or nonexistence: of any immunity, power, privilege, or right “ of the District, i.e. whether GreenPointe and/or any entities it “controls” are successor developers to an entity referred to as “Hawk’s Haven” with regards to agreements or contracts with the District.

The question may be directed to the ability of the District to engage in litigation to obtain a judicial determination of the “existence, or nonexistence: of any immunity, power, privilege, or right “ of the District, that GreenPointe and/or any entities it “controls” assumed the defined “CDD Developer Agreements” in the “Contract For Sale” by and between Greenpointe as the buyer and HHD and HHGCCD as sellers, with an effective date of February 9, 2010, as amended through the Seventh Amendment thereto effective as of September 16, 2010. (“Contract For Sale”, **Attachment “P”**). The Contract For Sale, as modified, was approved by the Bankruptcy Court on September 21, 2010.

To the extent that any relief requested in a declaratory judgment action involving the Contract For Sale (and actions taken pursuant to the Contract For Sale), would involve: 1. the claims of RHCDD in the Bankruptcy Case; 2. any of the defined Debtors in the Bankruptcy Case; or, 3. the Completion Agreement, it is my opinion that the opposing parties could successfully assert that such an action by the District would be barred. As noted in the Background Section above, the Settlement Offer in the Bankruptcy Case was for the full and complete settlement of the RHCDD claims with RHCDD agreeing to a one time distribution in the amount of \$2,750,705.21; and *“such distribution shall be in full and complete satisfaction of the rights of River Hall CDD under the Plan.”*

6. What is the financial responsibility of the DISTRICT in case of a default by a landowner in the payment of special assessments pledged to pay down bonds issued to fund the construction of infrastructure?

When the District has issued bonds, they are neither a general obligation or general indebtedness of the District within the meaning of the constitution and laws of Florida. The bonds are payable from and secured solely by the revenues derived by the District from the special assessments, the non-advalorem special assessments levied on the benefitted property within the District.

As noted and discussed above, the trust indenture typically imposes on a district the obligation and responsibility to protect the lien of the special assessments and to seek collection of the special assessments, which may include the initiation and pursuit of foreclosure actions.

7. What remedies does the DISTRICT have to pursue compliance with “completion agreements” for a defined “Project” for the construction of infrastructure if no time frame for completion is stated in the agreements?

It is assumed that this question relates to a current and extant “completion agreement” for a defined “Project” wherein the District is a party, there is no set time frame, and that this question does not refer to the Completion Agreement described above.

The type and nature of remedy will depend upon the nature of such an incomplete improvement or portion of an improvement that is part of a defined “Project”. It is important to know if the completion agreement is an agreement whereby the developer is to construct infrastructure, and then convey completed infrastructure to the District in exchange for monetary consideration, whether in phases or at the completion of the entire defined project.

The general Florida rule is that when a contract does not expressly fix the time for performance of its terms, the law will imply a reasonable time. As outlined in the Florida Standard Jury Instructions – Contract and Business Cases, Section 416.19:

416.19 INTERPRETATION — REASONABLE TIME

If a contract does not state a specific time within which a party is to perform a requirement of the contract, then the party must perform the requirement within a reasonable time. What is a reasonable time depends on the facts of each case, including the subject matter and purpose of the contract and the expressed intent of the parties at the time they entered into the contract.

If the project is a multi-year project with various phases, to be conveyed only after completion of the entire project, depending upon the age of the phased completed infrastructure, the District could apply a depreciation factor to the completed improvements and thereby reduce the amount of consideration to be paid for the substantially earlier completed infrastructure.

In addition, various bond counsel have advised that the proceeds from the bond issuance need to be expended within a certain period of time or there might be Federal tax law implications.

For asserted breaches of the specific terms and conditions of a “completion agreement” the District may file a lawsuit seeking specific performance of the obligations of the other party (the developer); may file a lawsuit seeking damages, if damages are capable of being determined; or, the District may file a declaratory judgment action to have the court determine the duties and obligations of the parties to the “completion agreement”, including a determination as to what would constitute a “reasonable” time for completion of the project or phases of the project.

8. Can the DISTRICT require systematic completion in phases of infrastructure for a defined “Project” funded by a bond issue so that when bond funds are all disbursed, all the completion items in the agreement have been completed to the satisfaction of the District and acquired by the District or a another governmental body?

If the District Board is of the good faith belief, based upon recommendations from its District Engineer and other District retained professionals, that: 1. the infrastructure is amenable to being constructed and accepted and thereafter operated and maintained by the District in phases under the above scenario; 2. that the phasing will be advantageous to the District and its property owners and residents; and, 3. and if the phasing is approved by the permitting agencies such as the South Florida Water Management District (“SFWMD”) or Lee County, the District would have the ability to include such provisions in its agreements with the developer.

However, it is important to note that generally, at the time that a district enters into such an agreement, the parties do not have hard costs for the construction of the proposed improvements. The parties generally have only estimated costs, or “Opinions of Probable Costs”. As a result, if the actual costs of construction during construction greatly exceed the initial estimated costs, resulting in a shortfall in bond funds needed to fully pay for the defined Project, it may not be possible for all of the completion items in the agreement to have been completed to the satisfaction of the District and acquired by the District or another governmental body, when all of the bond funds have been disbursed.

9. Can any landowner within the DISTRICT request that the DISTRICT issue bonds for the cost of constructing or acquiring infrastructure to support developing their land? If so, may the DISTRICT look only at the requesting owner in isolation or can the DISTRICT lawfully review the track record of a parent company?

Any landowner within the District can request that the District issue bonds authorized under Chapter 190, Florida Statutes for the cost of constructing or acquiring infrastructure to support developing their land.

For purposes of this discussion, the term “parent company” will have the following definition:

any corporation, limited liability company, partnership, or individual that directly or indirectly owns, controls, or holds with power to vote more than 50 percent of the outstanding voting interests of any corporation, limited liability company, or partnership

When the District receives that request, the District will be asked to make a discretionary legislative decision as to whether to issue the requested bonds and if so, under what terms and conditions. The decision by the Board of the District cannot be arbitrary or capricious.

Part of that decision-making process will involve various determinations and decisions, including but not limited to the amount of the bond issue; the maximum interest rate; the amount of the debt service necessary to timely pay the principal and interest on the bonds; the maturity date; of the bonds; the sources and uses of funds; and the need for any credit enhancements or guarantees, etc. It is my opinion that in making those decisions, the District has the right and ability to evaluate the financial status of the landowner and whether the land upon which the assessments are to be levied can “support” the proposed level of debt service special assessment.

To the extent that the requesting landowner is reliant or dependent upon the financial resources or backing of its “parent company”, as part of the decision-making process and the determination as to what additional assurances that the requesting landowner would need to provide to fulfill its obligations under agreements entered into as part of the bond issue, the District may require information as to the present financial soundness of the parent company. It would also be appropriate for the District to make inquiries as to recent performances by the parent company regarding substantially similar obligations in comparable and similar transactions. If the bonds are issued, such information would need to be disclosed in the bond documents.

10. If a landowner develops its property without the use of funds generated by a DISTRICT bond issue, must the DISTRICT accept the improvements and/or accept responsibility for operating and maintaining any new lakes or stormwater management improvements installed or constructed in the newly developed property?

Any opinion on this question is dependent on the underlying facts and the existence or non-existence of written assurances, agreements, resolutions, consents, approvals or contracts.

Assuming that the improvements are constructed in conformance with approved plans and specifications, permits and development orders, if there is a written agreement between the District and another party whereby the other party has agreed to construct certain infrastructure and the District has agreed to accept the conveyance, transfer, ownership and operation and maintenance obligations once completed, then the other party may be able file an action for specific performance or a declaratory judgment action, in an effort to have a court direct the District to accept the improvements.

Again, assuming that the improvements are constructed in conformance with approved plans and specifications, permits and development orders, if the District has adopted a Resolution agreeing to own or operate and maintain such infrastructure once completed, such as roads or a surface water management system ("SWMS") or facility; or, if the District has consented or agreed in writing, during the permitting process, that it would be the ultimate operating entity of certain infrastructure after completion by the other party, then the other party may be able file a declaratory judgment action, in an effort to have a court determine the right of the other party to have the District accept the improvements and/or transfer the permit or development order to the District.

ATTACHMENT
“A”
TO JUNE 22, 2020 MEMORANDUM

7

**IN THE CIRCUIT COURT OF THE TWENTIETH JUDICIAL CIRCUIT
OF THE STATE OF FLORIDA, IN AND FOR LEE COUNTY, FLORIDA
GENERAL CIVIL DIVISION**

RIVER HALL COMMUNITY
DEVELOPMENT DISTRICT,

Plaintiff,

CASE NO.: 05-CA-003031

BOND VALIDATION

vs.

THE STATE OF FLORIDA, AND
THE TAXPAYERS, PROPERTY
OWNERS AND CITIZENS OF
RIVER HALL COMMUNITY
DEVELOPMENT DISTRICT,
INCLUDING NON-RESIDENTS
OWNING PROPERTY OR SUBJECT
TO TAXATION THEREIN, AND
OTHERS HAVING OR CLAIMING
ANY RIGHTS, TITLE OR INTEREST
IN PROPERTY TO BE AFFECTED
BY THE ISSUANCE OF THE BONDS
HEREIN DESCRIBED, OR TO BE
AFFECTED IN ANY WAY THEREBY,

Defendants.

_____ /

FINAL JUDGMENT

FILED LEE CO. FLORIDA
CLERK OF COURTS
2005 AUG 30 PM 12:47
BY _____ D.C.

This cause came on to be heard on the 29th day of August, 2005, at 2:00 p.m. said day, at the Lee County Justice Center, 1700 Monroe Street, Ft. Myers, Florida, 33901, in the County of Lee, in the Twentieth Judicial Circuit of Florida, on the Complaint of River Hall Community Development District (Formerly known as Hawk's Haven Community Development District), a local unit of special purpose government, created and existing under and by virtue of the provisions of Chapter 190, Florida Statutes, as amended (the "Act"), Plaintiff herein, for the validation of not to exceed \$125,000,000 River Hall Community Development District Capital Improvement Revenue Bonds (the "Bonds") to be issued in one or more series, to be payable

from and secured by, inter alia, certain special assessments to be declared, assessed, equalized, levied and collected in connection with the Bonds, pursuant to a Notice and Order to Show Cause heretofore issued by this Court requiring the Defendants to show cause at said time and place why the Bonds and the proceedings theretofore taken by the Plaintiff therefore, all as described in the Complaint, should not be validated and confirmed as prayed in said Complaint and it appearing that copies of said Order to Show Cause and of said Complaint were served on the State Attorney of this Twentieth Judicial Circuit of Florida as required by law and that said Order to Show Cause was published as required by law and that said State Attorney has filed a Response as required by law, that no one except the State Attorney and the Plaintiff have made any appearance or filed any pleading of any kind whatever in said matter, that the Court has jurisdiction in this cause and of the subject matter hereof and of the parties hereto, and evidence having been introduced and the cause submitted for consideration and decision, the Court having heard and determined all the questions of law and fact in this cause, finds as follows:

1. That all the material allegations of said Complaint filed herein are true and the issuance of the Bonds has been duly authorized;
2. That the Plaintiff is a local unit of special-purpose government organized and existing in accordance with the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act").
3. That the Board of Supervisors of the Plaintiff (the "Board") is lawfully constituted and authorized under the Act to exercise all powers of a board of supervisors of a community development district;
4. That the Plaintiff is authorized to bring this action pursuant to Chapter 75, Florida Statutes;

5. That the Plaintiff is empowered to deliver certain community development services and facilities within its jurisdiction as permitted by Section 190.012, Florida Statutes, such services and facilities to consist of, among other things, drainage and water management improvements, water and wastewater improvements, roadways, and other improvements, and, upon receiving the consent of Lee County, a political subdivision of the State of Florida, certain recreational, park, security, and other infrastructure improvements permitted by the Act (collectively, the "Projects"), all as more specifically described in the evidence submitted to the Court;

6. That, on June 17, 2005, the Board duly adopted Resolution 2005-18, attached to the Complaint as part of composite Exhibit "B":, entitled:

A RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$125,000,000 HAWK'S HAVEN COMMUNITY DEVELOPMENT DISTRICT CAPITAL IMPROVEMENT REVENUE BONDS, IN ONE OR MORE SERIES; APPROVING THE FORM OF A MASTER TRUST INDENTURE; APPOINTING A TRUSTEE, REGISTRAR AND PAYING AGENT; AUTHORIZING THE COMMENCEMENT OF VALIDATION PROCEEDINGS RELATING TO THE BONDS; AND PROVIDING AN EFFECTIVE DATE.

(the "Bond Resolution") pursuant to which the Board of Supervisors of the Plaintiff proposes to issue the Bonds under and pursuant to a Master Trust Indenture (the "Master Indenture") from the Plaintiff to a bank or trust company as trustee (the "Trustee"), and pursuant to supplemental trust indentures (collectively, the Master Indenture as amended and supplemented by the supplemental indentures are hereinafter referred to as the "Indenture") from the Plaintiff to the Trustee, relating to each series of Bonds;

7. That the Master Indenture and all supplemental trust indentures shall be substantially similar to the forms thereof submitted to this Court and no changes thereto shall be

made which are inconsistent with the evidence submitted to this Court, including (without limitation) the evidence submitted relative to the District's Projects;

8. That, before the execution thereof, the final forms of the Master Indenture and all supplemental trust indentures shall be duly approved by a majority vote of the Board of Supervisors of Plaintiff at a duly convened and noticed public meeting of such Board.

9. That the Act permits the proceeds of the Bonds to be deposited with the Trustee in accordance with the Bond Resolution and the Indenture, and, after payment of expenses of issuing the Bonds and after making certain deposits required by the Bond Resolution and the Indenture, permits such funds to be disbursed by the Trustee to the Plaintiff for use by the Plaintiff in the acquisition and construction of the Projects;

10. That the principal of and interest on the Bonds shall be payable from, and secured by, special assessments to be levied and collected by the Plaintiff with respect to the Projects, and certain other amounts, all as provided in the Indenture;

11. That the Projects constitute "assessable improvements" within the meaning of the Act and the Assessment Statutes, and the Plaintiff is authorized to issue the Bonds and to apply the proceeds received from the sale of the Bonds in the manner and for the purposes described above and in the Bond Resolution;

12. That the Plaintiff, through the Board, has lawful power and authority to declare, assess, levy, and collect special assessments to defray the costs of the Projects pursuant to and in accordance with the procedure set forth in the Assessment Statutes;

13. That authority is conferred upon the Plaintiff by the Constitution and laws of the State of Florida, specifically pursuant to Sections 190.011(9), 190.011(14), 190.016(2), 190.016(8), 190.016(13), 190.021(2), 190.022, and 190.023 of the Act, to issue the Bonds, without the approval of the qualified electors of the Plaintiff, for the purposes and in the amounts

set forth herein, and to secure and make each series of such Bonds, including the principal thereof, redemption premium, if any, and interest thereon, payable from special assessments levied on the lands within the boundaries of the Plaintiff subject to assessment and benefited by the systems, facilities and improvements comprising the Projects in respect of which the Bonds are being issued, pursuant to Sections 190.011(14), 190.021(2), 190.022, and 190.023 of the Act;

14. That the Plaintiff, through the Board, has lawful power and authority to adopt the Bond Resolution, to levy, collect and pledge special assessments thereto and to take the other acts contemplated by the Bond Resolution in connection with the issuance, sale, delivery, and payment of the Bonds;

15. That neither the Bonds nor the interest and premium, if any, payable thereon shall constitute a general obligation or general indebtedness of the Plaintiff within the meaning of the Constitution and laws of Florida; that the Bonds and the Series of which they are a part and the interest and premium, if any, payable thereon do not constitute either a pledge of the full faith and credit of the Plaintiff or a lien upon any property of the Plaintiff other than as provided in the Indenture authorizing the issuance of the Bonds; that no Owner (as defined in the Indenture) or any other person shall ever have the right to compel the exercise of any ad valorem taxing power of the Plaintiff or any other public authority or governmental body to pay debt service or to pay any other amounts required to be paid pursuant to the Master Indenture, any supplemental indenture, or the Bonds; and that debt service and any other amounts required to be paid pursuant to the Master Indenture, any supplemental indenture, or the Bonds, shall be payable solely from, and shall be secured solely by, the Pledged Revenues and the Pledged Funds pledged to a respective series of Bonds, all as provided in the Bonds, in the Master Indenture and in any supplemental indenture;

16. That the Act authorizes the Plaintiff to sell its Bonds at public or private sale and the Bonds, and any series thereof, may be sold by the Plaintiff at public sale by competitive bids or by negotiated sale or pursuant to a private placement, all as shall be set forth in a subsequent resolution of the Board pertaining to the series of Bonds in question; provided, however, that no series of Bonds shall be sold at a price of less than ninety percent (90%) of the par value thereof, together with accrued interest thereon, unless otherwise permitted by the Act;

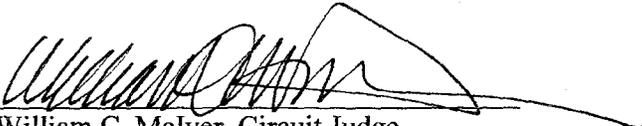
17. That the Bonds may be executed by the Chairman of the Board and attested by the Secretary or a member of the Board designated for such purpose, and signatures of said Chairman and of said Secretary or member may printed by facsimile signature on the Bonds, so that the only manual signature thereon will be the authenticating signature of the Trustee or its duly designated agent, and that said manner of execution is in accordance with Section 116.34 and Section 279.06, Florida Statutes, and, that said Section 116.34 and Section 279.06, having been enacted pursuant to Chapter 63-441, Laws of Florida 1963, and Chapter 83-271, Laws of Florida 1983, respectively, prevail over any conflicting provision in Section 215.43, enacted by Chapter 57-763, Laws of Florida 1957, with respect to the need for a manual signature of at least one official of the Board; and

18. That the Plaintiff has acted in accordance with the law in all respects and particulars, and when issued and sold, the Bonds will be valid and binding special revenue obligations of the Plaintiff, secured by a pledge of and payable solely from the Pledged Revenues and the Trust Estate as set forth in the Indenture, that the Indenture will be the valid, legal and binding obligation of the Plaintiff enforceable in accordance with its terms, and, that special assessments, when equalized and confirmed in accordance with the Act and the Assessment Statutes, will constitute and remain a lien on the property against which imposed coequal with

the lien of all state, county, district and municipal taxes, superior in dignity to all other liens, titles and claims, until paid.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED that the Bonds, the proceedings heretofore taken for the authorization and issuance of the Bonds, the execution and delivery of the Indenture and the performance by the Plaintiff of its obligations thereunder, be and the same are hereby validated and confirmed.

DONE AND ORDERED at Ft. Myers, Florida, this 29 day of August, 2005.


William C. McIver, Circuit Judge

Copies furnished to:

Mark K. Straley, Esquire
100 E. Madison Street, Suite 300
Tampa, Florida 33602
(813) 223-9400

Stephen Schwarz, Assistant State Attorney
State Attorney's Office - 20th Circuit
P.O. Box 399
Fort Myers, Florida 33902

ATTACHMENT
“B”
TO JUNE 22, 2020 MEMORANDUM

RESOLUTION NO. 2005-18

A RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$125,000,000 HAWK'S HAVEN COMMUNITY DEVELOPMENT DISTRICT CAPITAL IMPROVEMENT REVENUE BONDS, IN ONE OR MORE SERIES; APPROVING THE FORM OF A MASTER TRUST INDENTURE; APPOINTING A TRUSTEE, REGISTRAR AND PAYING AGENT; AUTHORIZING THE COMMENCEMENT OF VALIDATION PROCEEDINGS RELATING TO THE BONDS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of Supervisors of Hawk's Haven Community Development District (the "Board" and the "District" respectively) has determined to proceed at this time with the validation of not to exceed \$125,000,000 in principal amount of Hawk's Haven Community Development District Capital Improvement Revenue Bonds in one or more series (collectively, the "Bonds") to be issued under and pursuant to a Master Trust Indenture, dated as of the first day of the first month in which the first Bonds are issued thereunder (the "Master Indenture"), from the District to Wachovia Bank, National Association, Miami, Florida, as trustee, to be amended and supplemented by supplemental trust indentures relating to one or more Series of Bonds (the "Supplemental Indentures"), from the District to the Trustee (collectively, the Master Indenture as amended from time to time by the Supplemental Indentures is hereinafter referred to as the "Indenture");

WHEREAS, the Bonds are to be issued to pay all or a part of the costs of the design, permitting, acquisition, construction and installation of certain improvements and facilities all as permitted by Chapter, 190, F.S., and as described generally in Exhibit "B" (the "Capital Improvement Program");

WHEREAS, the Board finds that the provision of the Capital Improvement Program is an appropriate public purpose and is in the best interests of the District, its landowners and residents.

WHEREAS, in conjunction with the commencement of the validation proceedings relating to the Bonds, it is necessary to approve the form of the Master Indenture and to provide for various other matters with respect to the Bonds;

NOW, THEREFORE,

BE IT RESOLVED that

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

2. Master Indenture; Appointment of Trustee, Registrar and Paying Agent. Attached hereto as Exhibit "A" is the form of Master Indenture, which is hereby authorized and approved, subject to such changes, additions, deletions and insertions as shall be approved by the Chairman and the Secretary, which approval shall be conclusively evidenced by the execution thereof. Wachovia Bank, National Association, Miami, Florida is hereby appointed as Trustee, Registrar and Paying Agent under the Master Indenture.

3. Description of Bonds. The Bonds shall be dated, shall be in the aggregate principal amount not exceed \$125,000,000, shall mature, shall be subject to mandatory and optional redemption on the terms, at the times and prices and in the manner, and shall bear interest at the rates to be provided in the Supplemental Indenture relating to the respective Series of Bonds and in the subsequent resolution establishing the details of the Bonds. The Bonds shall be initially signed by the manual or facsimile signature of the Chairman and initially countersigned by the manual or facsimile signature of the Secretary and shall be authenticated by the manual signature of the Trustee. The Bonds shall be in the general form of Bonds attached to the First Supplemental Indenture. The Bonds, when executed and delivered by the District, shall be the legal, valid, binding obligations of the District, enforceable in accordance with their terms.

The Bonds, and interest thereon, shall not be deemed to constitute a debt, liability or obligation of the State of Florida, or of any political subdivision thereof but shall be solely payable from Assessments, as defined in the Indenture. Neither the full faith and credit, nor any taxing power of the District, Lee County, Florida, or the State of Florida, or of any political subdivision thereof is pledged for the payment of the principal of or interest on the Bonds, except for Assessments to be assessed and levied by the District to secure and pay the Bonds.

4. Commencement of Validation Proceedings. District Counsel is hereby authorized to file a complaint against the State of Florida, and the taxpayers, property owners, and citizens of the District and Lee County, Florida, including non-residents owning property or subject to taxation therein, and all others having or claiming any right, title, or interest in property to be affected by the issuance by the District of the Bonds in accordance with the provisions of Chapter 75, Florida Statutes, and to take any and all further action which shall be necessary in order to achieve a final non-appealable order of validation with respect to the Bonds.

The Chairman or Vice Chairman or any other member of the Board is authorized to sign any pleadings and to offer testimony in any such proceedings for and on behalf of the District. The Officers and agents of the District, including without limitation, the District Manager, engineer or engineering firm serving as engineer to the District, and

the District's Financial Advisor are hereby also authorized to offer testimony for and on behalf of the District in connection with such proceedings.

5. Open Meetings. It is hereby found and determined that all official acts of this Board concerning and relating to the commencement of the validation proceedings for the Bonds, including but not limited to adoption of this Resolution, were taken in open meetings of the members of the Board and all deliberations of the members of the Board that resulted in such official acts were in meetings open to the public, in compliance with all legal requirements including, but not limited to, the requirements of Florida Statutes, Section 286.011.

6. Other Actions. The Chairman, the Secretary, and all other members, officers and employees of the Board and the District are hereby authorized and directed to take all actions necessary or desirable in connection with the issuance and delivery of the Bonds and the consummation of all transactions in connection therewith, including the execution of all necessary or desirable certificates, documents, papers, and agreements and the undertaking and fulfillment of all transactions referred to in or contemplated by the Indenture and this Resolution.

Notwithstanding anything herein to the contrary, no series of Bonds may be issued or delivered until the District adopts a subsequent resolution and/or supplemental indenture fixing the details of such series of Bonds, whether specified by the Board or delegated to a Designated Member, as may be defined in such subsequent resolution.

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

PASSED in Public Session of the Board of Supervisors of Hawk's Haven Community Development District, this 17th day of June, 2005.

**HAWK'S HAVEN COMMUNITY
DEVELOPMENT DISTRICT**

Attest:

Asst Karen Hartman
Secretary

[Signature]
Chairman, Board of Supervisors

ATTACHMENT
“C”
TO JUNE 22, 2020 MEMORANDUM

FUNDING AND COMPLETION AGREEMENT

This Funding and Completion Agreement, is made and entered into as of the 26th day of October, 2005 between **Hawk's Haven Developers, LLC**, a Delaware limited liability company, and **Hawk's Haven Golf Course Community Developers, LLC**, a Delaware limited liability company (collectively the "**Developer**"), and the **River Hall Community Development District**, a local unit of special purpose government organized and existing under Chapter 190, Florida Statutes (the "**District**").

Recitals

WHEREAS, the District was created for the purpose of delivering community development services and facilities all as more specifically described in the Engineer's Report for River Hall Community Development District, dated October 25, 2005, prepared by Barraco and Associates, Inc., excluding any Neighborhood Improvements (as defined in the Final Assessment Methodology Report for the Cascades at River Hall Community) (the "**Project**") attached as **Exhibit "A"**, which is being partially funded with the proceeds of the District's Capital Improvement Revenue Bonds, Series 2005 (the "**2005 Bonds**"); and

WHEREAS, the District believes that it is necessary and desirable, and in the best interests of the District, to construct the Project; and

WHEREAS, concurrently herewith, the District is issuing the 2005 Bonds pursuant to a Master Trust Indenture dated October 1, 2005 (the "**Master Indenture**"), as amended and supplemented by a First Supplemental Trust Indenture, also dated October 1, 2005 (the "**Supplemental Indenture**"), between the District and Wachovia Bank, National Association, as Trustee (collectively, the "**Indenture**"); and

WHEREAS, the 2005 Bonds shall be repaid by special assessments levied against the lands within the District which will be benefited by the Project; and

WHEREAS, the actual cost of completing construction of the Project will exceed the proceeds received by the District from the issuance of the 2005 Bonds; and

WHEREAS, the Developer has agreed to fund the deficit (or convey to the District completed improvements in lieu of funding such deficit) in an amount equal to the difference between the Available Proceeds (defined below) and the actual costs of constructing the Project; and

WHEREAS, proceeds of the Series 2005 Bonds in the amount of \$22,782,961 have been deposited to the credit of the 2005 Acquisition and Construction Account created pursuant to the Indenture. Such amount, together with investment earnings thereon (collectively, the "**Available Proceeds**"), will be applied to pay a portion of the cost of the Project as provided in the Indenture.

Operative Provisions

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and for \$10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Funding and Completion of the Project.** Capitalized words and terms used but not defined in this Agreement shall have the meanings ascribed to them in the Indenture. To the extent that the Available Proceeds are not sufficient to pay all of the costs of acquiring, constructing, and installing the Project, the Developer hereby agrees that it will, promptly upon receipt of the District's written notice specifying the amount of the deficiency then in existence

and not previously paid by the Developer, taking into account any adjustment to the Available Proceeds on account of subsequent deposits into the 2005 Acquisition and Construction Account, pay to or on behalf of the District, as directed in writing by the District, any and all costs of constructing and installing the Project in excess of the Available Proceeds (or in lieu thereof at the direction of the District will acquire and construct certain components of the Project and convey such completed lien free improvements to, or upon order of, the District).

2. **Deferred Payments to the Developer.** The District hereby covenants and agrees that it will pay to the Developer, from time to time, the amounts deposited into the Deferred Costs Subaccount in the 2005 Acquisition and Construction Account and made available for such purpose pursuant to Section 403 of the Supplemental Indenture, at the times and solely to the extent provided therein. The foregoing covenant shall not create a debt or any other obligation to pay Deferred Costs, except and solely to the extent provided for in the Supplemental Indenture.

3. **Waivers.** Any failure by any party to this Agreement to comply with any of its obligations, agreements, or covenants may be waived only in writing by the other party.

4. **Amendment.** This Agreement cannot be amended or terminated orally but only by writing executed by both parties.

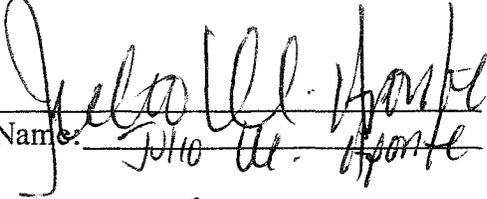
5. **Applicable Law.** This Agreement is made and shall be construed under the laws of the State of Florida.

6. **Survival.** The terms and conditions hereof shall survive the closing of the transactions contemplated hereby.

7. **Recitals.** The Recitals set forth above are true and correct and are incorporated into this agreement by this reference.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

Witnesses:


Name: Julio A. Monte


Name: Donna Feldman

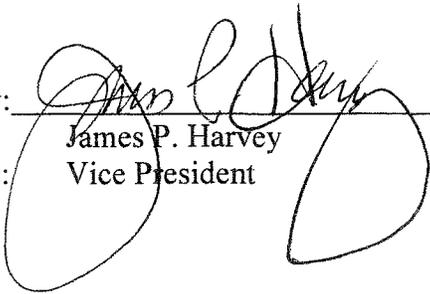
HAWK'S HAVEN DEVELOPERS, LLC, a Delaware limited liability company

By: HAWK'S HAVEN JOINT DEVELOPMENT, LLC, a Delaware limited liability company, its sole member

By: HAWK'S HAVEN SPONSOR, LLC, a Delaware limited liability company, its administrative member

By: LANDMAR GROUP, LLC, a Delaware limited liability company, its sole member

By: LANDMAR MANAGEMENT, LLC, a Delaware limited liability company, its manager

By: 
Its: James P. Harvey
Vice President

Witnesses:

HAWK'S HAVEN GOLF COURSE
COMMUNITY DEVELOPERS, LLC, a Delaware
limited liability company

MK Staley
Name: _____

By: HAWK'S HAVEN JOINT
DEVELOPMENT, LLC, a Delaware
limited liability company, its sole member

Donna Feldman
Name: _____

By: HAWK'S HAVEN SPONSOR, LLC, a
Delaware limited liability company, its
administrative member

By: LANDMAR GROUP, LLC, a Delaware
limited liability company, its sole member

By: LANDMAR MANAGEMENT, LLC, a
Delaware limited liability company, its
manager

By: James P. Harvey
Its: Vice President

Attest:

RIVER HALL COMMUNITY
DEVELOPMENT DISTRICT

Rene Wilcox
Name: _____
Secretary/Assistant Secretary

By: Graydon Miars
Graydon Miars
Chairman, Board of Supervisors

EXHIBIT A

ENGINEERS REPORT

FOR

RIVER HALL

COMMUNITY DEVELOPMENT DISTRICT

October 25, 2005

by

*BARRACO AND ASSOCIATES, INC.
2271 McGregor Boulevard
Fort Myers, Florida 33901*

Carl A. Barraco, P.E. #38536
Florida Certificate of Authorization #7995

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I. INTRODUCTION

1.1 DESCRIPTION OF RIVER HALL:

River Hall is a ±1978 acre 1999 Unit Master Planned Residential Community within the Lee County, Florida. A site location map is provided in Figure 1. The project also includes up to 15,000 s.f. of office, and 30,000 s.f. of retail within the Town Center component along the projects frontage of State Road 80, as well as three gated residential communities. The gated residential communities include a 570 unit active adult community, a 883 unit golf course community and a 445 unit non-golf community. Each community will derive usage of District infrastructure, to differing degrees, from the Community Development District. Each community will also include internal parks and related recreational amenities, including pathways, pools, etc. The golf community will include a club house which will serve both the golf and non-golf communities. The golf community will also include 18 holes of private golf, expandable to 27 holes exclusively for the golf community. Table One includes a summary of the projected land uses and product types.

It should be noted the Developer may request a Comprehensive Plan Amendment and additional re-zoning to increase the density to approximately 2,800 units. All allowable density, over and above the 1,898 units already site planned would be site planned in the southern most 374 acres of the District. Should units, be added within the District, then a Supplement to this Engineer's Report will be required.

It should also be noted the District boundary includes approximately 1,926 acres and the referenced Lee County Zoning Ordinance DCI 2004-00054 includes 1,978 acres. The difference in land area is attributable to a school site, which is included in the zoning area, but falls outside of the District boundaries, as well as additional land that has been added to the River Hall development but has not yet been added to the District boundary. The process of increasing the District boundary to include 1958 acres is currently in process.

It is anticipated the project will be constructed in five phases over an 8-year build out. The build out date, however, may vary depending on sales and economic conditions in the area. Construction of Phase I infrastructure began in March of 2005 and is expected to be completed in November of 2005. Phase II, the Adult Active Community, began construction in May 2005 and is anticipated to be completed in January of 2006. Phase III, the golf community is planned to start construction in late 2005. Phase IV, the non-golf community, began construction in June 2005 and is scheduled to be completed in January of 2006. Phase V, which currently includes 101 available units but may include all density increases available at the time of development, will proceed as the market and the Comprehensive Plan Amendment/zoning dictates. A Phasing Map is provided in Figure 2.

FIGURE 1 - LOCATION MAP

Barraco
 and Associates, Inc
 CIVIL ENGINEERING - LAND SURVEYING
 LAND PLANNING - LANDSCAPE DESIGN
 www.barraco.net
 8771 MADRAGON BOULEVARD
 POST OFFICE BOX 9800
 FORT MYERS, FLORIDA 33903-8800
 PHONE (239) 481-8170
 FAX (239) 481-8188
 FLORIDA CERTIFICATE OF AUTHORITY
 ENGINEERING 7105 - SURVEYING LR-02

PREPARED FOR
**HAWK'S HAVEN
 GOLF
 DEVELOPERS, LLC**
 2202 NORTH WEST SHORE BOULEVARD
 SUITE 103
 TAMPA, FLORIDA 33607
 PHONE (813) 837-0133
 FAX (813) 237-0133

 PROJECT DESCRIPTION

RIVER HALL
 COMMUNITY DEVELOPMENT DISTRICT
 FORMERLY KNOWN AS HAWK'S HAVEN
 PART OF SECTIONS 18, 23, 27, 34, 35 AND 36
 TOWNSHIP 43 SOUTH
 RANGE 28 EAST
 LEE COUNTY, FLORIDA

NOT VALID UNLESS ACCOMPANIED BY: SURVEYOR'S ASSESSMENT
 © COPYRIGHT 2008, BARRACCO AND ASSOCIATES, INC.
 REPRODUCTION, COPIES OR ALTERATIONS ARE PROHIBITED
 F.I.L. NUMBER: 230608-01-010
 LAYOUT: LAYOUT1
 LOCATION: JUDICIAL/PROPERTY OPERATIONS
 PLOT DATE: THU 8-28-2008 8:57 AM
 PLOT BY: JOHN ATONG
 DESIGNED BY:
 RHEL1
 RHEL2
 RHEL3
 RHEL4
 RHEL5
 RHEL6

PLAN REVISIONS
 PLAN STATUS
 APPROVAL SUBMITTAL PLANS
 NOT FOR CONSTRUCTION

**FIGURE 1
 LOCATION MAP**
 PROJECT / FILE NO. SHEET NUMBER

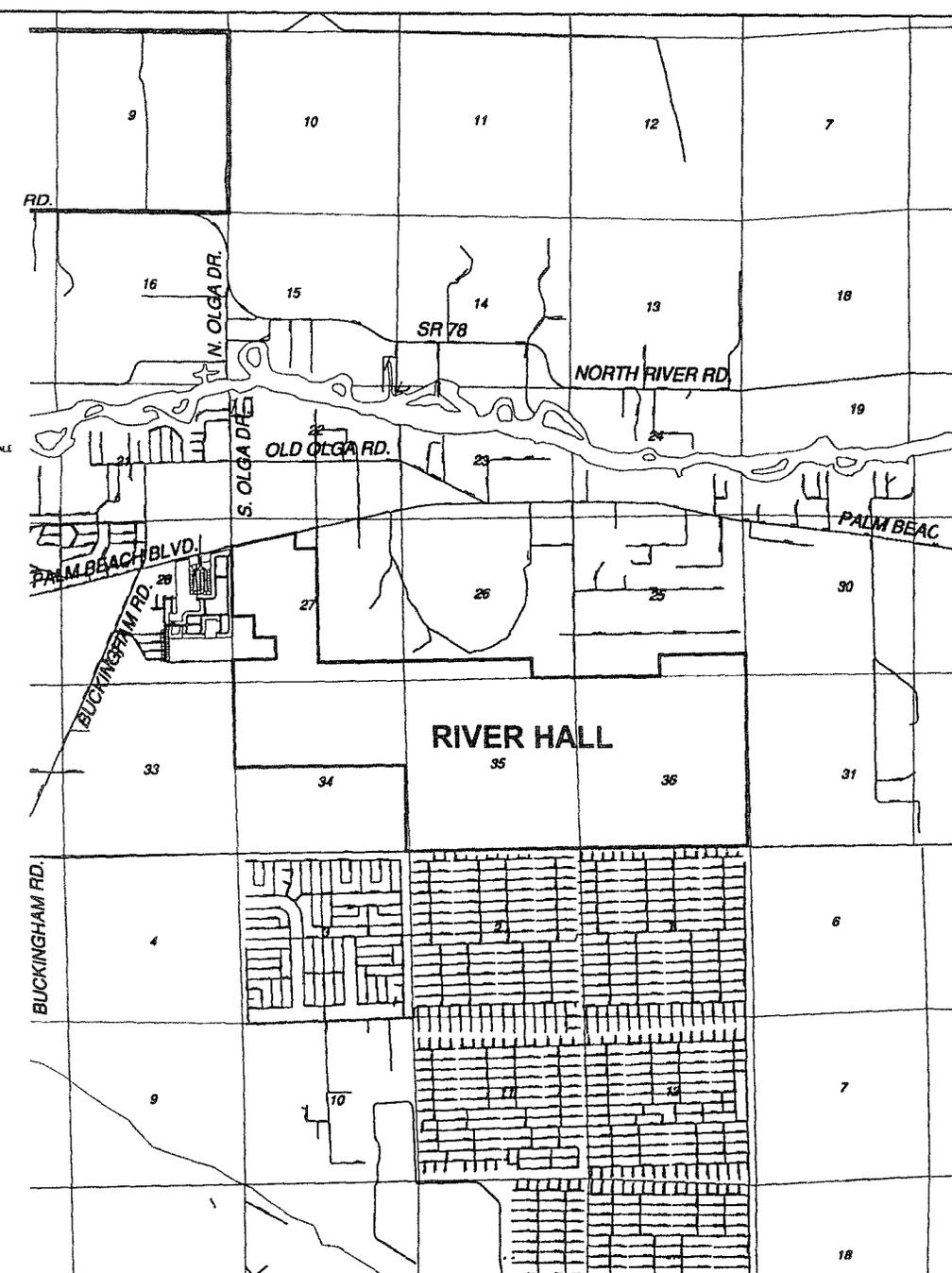
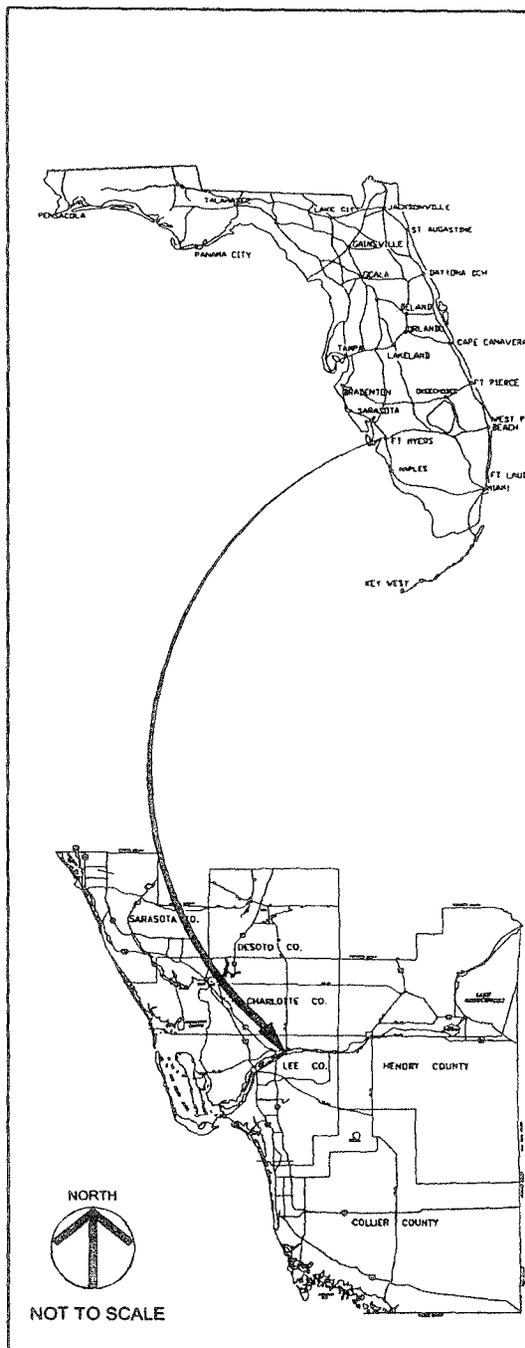


FIGURE 2 -- PHASING MAP

TABLE 1 - PROJECTED LAND USE AND PROJECT TYPES

Acreege (within Lee County) ±1978 acres

<u>Land Use</u>	<u>± Acres</u>	<u>±Percent</u>
School Parcel (not within CDD boundary)	20 ac	1%
Lake Area*	162 ac	8%
Golf Course	184 ac	9%
Conservation Area	465 ac	24%
Entry Road	24 ac	1%
Town Center Area	25 ac	1%
Residential		
Active Adult Community**	232 ac	12%
Single Family Golf	350 ac	18%
Single Family Non-Golf	141 ac	7%
Future Development	374 ac	19%
TOTAL	1,978 acres	100%

* Excludes non-CDD lakes within Active Adult Community.

** Includes non-CDD lakes within Active Adult Community.

Common Infrastructure Phase I

<u>Product Type</u>	<u>Unit Count</u>
Office	15,000 s.f.
Retail	30,000 s.f.

Adult Active Community Phase II

<u>Product Type</u>	<u>Unit Count</u>
55' Single Family	261
65' Single Family	142
48' Zero Lot Line	167

Single Family Golf Phase III

<u>Product Type</u>	<u>Unit Count</u>
55' Single Family	371
70' Single Family	268
85' Single Family	106
Multi-family	138

Single Family Non-Golf Phase IV

<u>Product Type</u>	<u>Unit Count</u>
50' Single Family	285
60' Single Family	41
65' Single Family	119

Single Family Estate Phase V

<u>Product Type</u>	<u>Unit Count</u>
Estate Lots	101

A Land Use Map is provided in Figure 3.

FIGURE 3 - LAND USE MAP

1.2 PURPOSE AND SCOPE:

This Engineers Report has been prepared to assist with the financing, construction and acquisition of infrastructure improvements to be undertaken by the District for the River Hall Community Development. This report will present a description of the major infrastructure components as well as engineer's estimates of cost for completing these improvements. The financing is expected to be in the form of one or more series of special assessment revenue bonds to be issued by the District.

1.3 THE RIVER HALL COMMUNITY DEVELOPMENT DISTRICT:

The District was established pursuant to Chapter 42YY-1, Florida Administrative Code, implemented by the Florida Land and Water Adjudicatory Commission, effective on April 21, 2005 for the purpose of planning, financing, constructing, operating and maintaining public infrastructure for the lands comprising the community development within the jurisdiction of the District. The District also has the authority to borrow money and issue bonds for the purpose of constructing the improvements and to levy taxes, assessments, rates and charges to pay for the construction, acquisition, operation and maintenance of the improvements.

The District currently consists of approximately 1926 acres and is located within Lee County on the south side of State Road 80 approximately 7 miles east of I-75. The District is generally bordered on the north by vacant agricultural land and scattered single family residences on the east by rural single family residences and a Lee County Mitigation Park (Hickey Creek Mitigation Park), on the south by single family residential lots (north Lehigh Acres), to the west and residential subdivisions.

The District will be governed by a five (5) member Board of Supervisors. The current Board is comprised of the following public officers:

- | | |
|---------------------|-------------------|
| (1) Gradon Miars | (3) Bruce Parker |
| (2) Kevin McKyton | (4) Robert Nelson |
| (5) James P. Harvey | |

Management of the District will performed on a contractual basis by Pete Williams, the District Manager, of the management firm Rizzetta and Company, Inc. The District Manager will oversee the operation and maintenance of the District, as supervised by the Board of Supervisors.

1.4 REPORT ASSUMPTIONS

In the preparation of this report, Barraco and Associates, Inc. relied upon information provided by the District, the District's Financial Advisor, the Underwriter, Hawk's Haven Developers, LLC (the initial land owner and "Developer") and others. While Barraco and Associates, Inc. has not independently verified this information, there is no apparent reason to believe that the information provided by others is not valid for the purposes of this report.

II. PROJECT BOUNDARY

2.1 PROPERTY BOUNDARY

The Project is located in Sections 25, 26, 27, 34, 35 and 36, Township 43 South, Range 26 East Lee County, Florida.

2.2 DESCRIPTION OF PROPERTY SERVED

The Project is wholly located within Lee County, Florida.

2.3 EXISTING INFRASTRUCTURE

There is no significant infrastructure pre-existing development within the District boundaries. Existing infrastructure adjacent to the District to the north includes State Road 80, which borders a portion of the north boundary of the District, and existing Lee County Utility's sanitary sewer forcemain and potable watermain within the State Road 80 right-of-way.

III. PROPOSED PROJECT

3.1 PROPOSED DISTRICT INFRASTRUCTURE

The District is expected to fund public infrastructure improvements (construction and acquisition) within the Project including but not limited to the following:

- Earthwork
- Drainage, Water Management and Environmental Features
- Public Roadways
- Utilities
- Security Features - Fences and Systems
- Landscaping and Signage of Common Areas
- Sidewalks and paths
- Off-Site Infrastructure (State Road 80)

The capital improvements described in this report represent the present intentions of the Developer, and the District, subject to applicable local general purpose government land use planning, zoning and other entitlements. The implementation of any improvements discussed in this plan requires the final approval by many regulatory and permitting agencies including local, state and federal agencies. The actual improvements may vary from the capital improvements in this report. Cost estimates contained in this report have been prepared based upon the best available information. The actual cost of final engineering design, permitting, construction and approvals may vary from the cost estimates presented. The following sections describe the elements that will be funded by the District.

3.2 EARTHWORK

Earthwork within the Project will consist of the excavation of stormwater management lakes with the excavated material being used to construct District projects and the balance disposed of on site. The roadways and development parcels require fill to provide minimum elevations for flood protection. Roads are designed to the five-year storm event elevation as a minimum and finish floors elevations are also established equal or greater than the 100-year - 3 day storm event.

Water management lakes will be excavated to at least the minimum size and depth requirements of the South Florida Water Management District. It is currently estimated that 162 acres of lakes will be excavated by the District resulting in approximately 2,430,000 cubic yards of material being generated.

3.3 DRAINAGE AND WATER MANAGEMENT

The water management system for the Project will consist of excavated stormwater lakes, culverts, inlets, and water control structures as well as restoration and preservation of jurisdictional wetlands. South Florida Water Management District has permitted the entire Project surface water management system (ERP 36-04006-P), which will be constructed in multiple Phases. The District water management facilities will consist of approximately 162 acres of lakes with an interconnected pipe system. Stormwater runoff from the areas within the Project will be routed to the stormwater management lakes for water quality treatment and attenuation. The treated stormwater will be subsequently released through the conveyance systems and control structures to the Caloosahatchee River.

The stormwater management system has been designed in accordance with the South Florida Water Management District Basis of Review. These regulations set minimum criteria for water quality treatment and flood protection. The stormwater management areas are designed to attenuate 25 year - 3 day rainfall event.

A sediment and erosion control plan has been prepared and implemented for all active construction. Sediment and erosion control includes slope and outfall protection, such as hay bales, staked silt fences and floating turbidity barriers. A National Pollutant Discharge Elimination System (NPDES) permit has been obtained for existing construction activities, including a Stormwater Pollution Prevention Plan.

3.4 ROADWAYS

The roadways within the Project will consist of two-lane undivided, two-lane divided and four-lane divided sections. The roadways will serve the various land uses within the Project and will connect to existing State Road 80. The roadways will be constructed within dedicated or platted right-of-ways. It is currently estimated that 14.8 miles of public and private roadway will be constructed. Only public roadways will be funded by the District.

3.5 UTILITIES

Utility infrastructure is currently under construction to serve the development area.

The District funded utilities within the Project will consist of water, distribution mains, wastewater collection and transmission mains designed and constructed in accordance with Lee County Utilities Standards, Florida Department of Environmental Protection and Lee County Health and Rehabilitative Services standards. Following construction of these facilities, the District will either retain ownership, operation and maintenance responsibilities or dedicate the utilities to Lee County Utilities.

The potable water facilities will include both transmission and distribution lines along with the necessary valving, fire hydrants and water services to individual lots and development parcels. It is currently estimated that over

15.2 mile of water main will be constructed. The wastewater facilities will include gravity collection mains with individual lot sewer services, pump stations, a master pump station and force mains. It is currently estimated that over 12.9 miles of gravity collection system, 7.0 miles of force main, 10 sanitary sewer pump pump stations and 1 master pump station will be constructed.

3.6 PRIVACY GATES, FENCES AND SYSTEMS

A guardhouse is proposed at the main entrance of each of the three communities for purposes of community privacy. Each community will be further secured by a combination of perimeter berming, landscaping, fences and walls. Privacy features will be located within platted road right-of-ways or open space/landscape tracts or easements. There may be further card gates for secondary access to the communities. All guardhouses and gates will be developer funded improvements.

3.7 LANDSCAPING AND SIGNAGE

Landscaping will be provided for the roadways, perimeter berms and main entrances. The landscaping will consist of sod, annual flowers, shrubs, groundcover, littoral plants and trees. Existing native vegetation will be preserved and incorporated into the landscape plan where possible.

3.8 SIDEWALKS AND PATHS

The Project will be a pedestrian friendly community that will include extensive sidewalk and paths navigating most roadways and conservation areas. The sidewalk and paths will be a combination of concrete and/or asphalt depending upon their locations within the community.

3.9 OFF-SITE INFRASTRUCTURE

Offsite roadway improvements include construction of auxiliary lanes and a connection to State Road 80. Offsite utility improvements include connection of potable water and sanitary transmission mains to Lee County Utilities within the Florida Department of Transportation (FDOT) Public right-of-way of State Road 80. Approval from the FDOT has been obtained and both offsite roadway and utility improvements are current under construction as part of Phase I.

IV. OPINION OF PROBABLE CONSTRUCTION COSTS

4-1 SUMMARY OF COSTS

Table 2 presents a summary of the District financed improvements for the Project as described in Section 3 of this report. The estimates shown in Table 2 do not include the legal, administrative, financing, operation, maintenance services or bond issuance costs necessary to finance and maintain the District infrastructure. All estimates are given in 2005 dollars and no inflation factor has been provided for the time value of money.

TABLE 2 - District Estimated Project Infrastructure Costs

<u>Phase</u>	<u>Construction</u>
Phase I Common Infrastructure	\$12,150,000
Phase II Adult Active Community	\$0.00
Phase III Single Family Golf	\$18,610,000
Phase IV Single Family Non-Golf	\$6,760,000
Phase V Estate Lots	\$1,900,000
Totals:	\$39,420,000

4.2 DISTRIBUTION OF COSTS

Each of the three (3) gated communities will derive differing levels of benefit from the infrastructure. All of the communities will derive equal benefits from the common Phase I infrastructure, which includes offsite improvements, acquisition of upland and wetland preserve areas and the entrance boulevard corridor to the gated entrance to the Active Adult Community.

The developer of the Active Adult Community will fund all Adult Active Community improvements behind the entrance gate and will therefore derive benefits for the common infrastructure only. Both the Golf and Non-golf Communities, as well as the Town Center, will derive benefit from all district constructed improvements.

Section 3 of this report described the proposed infrastructure to be funded by the Special Assessment Bonds to be issued by the District. For the purpose of the cost estimates presented in this section, the following four (4) categories have been established which contain groupings and associate cost by phase of the various items described in Section 3.1:

	Phase I	Phase II	Phase III	Phase IV	Phase V
1. Roadways/Utilities	\$3,700,000	\$0.00	\$7,850,000	\$2,450,000	\$690,000
2. Conservation Areas	\$6,900,000	\$0.00	\$0.00	\$0.00	\$1,080,000
3. Surface Water Management	\$1,300,000	\$0.00	\$10,400,000	\$3,840,000	\$0.00
4. Entry Features & Perimeter Berms	\$250,000	\$0.00	\$360,000	\$470,000	\$130,000

Roadways/Utilities include public roadways, sanitary sewer, storm sewer, potable watermain, master electrical, entry road landscaping. Conservation Areas include land costs and associated environmental costs. Surface Water Management includes land costs, clearing and master earthwork and clearing and master storm sewer. Entry Feature and Perimeter Berm includes earthwork and clearing for perimeter berm construction only, landscaping and entry features. The items associated with each category are summarized as follows:

1. Roadways
 - Public Roadways
 - Sanitary Sewer
 - Potable Water
 - Master Electrical
 - Entry Road Landscaping
2. Conservation Areas
 - Land Costs (465 acres at \$14,500 per acre)
 - Environmental Costs
3. Surface Water Management
 - Land Costs (162 acres at \$14,500 per acre)
 - Master Earthwork and Clearing
 - Master Storm Sewer
4. Entry Feature and Perimeter Berm
 - Associated Earthwork and Clearing
 - Landscape and Entry Feature

In arriving at the estimates presented in this Table, the Developer supplied cost estimates for all construction required to complete the Project. This information was verified reviewing construction contracts and pay requests for the portion of the Phase I improvements that are already constructed or are currently being constructed, as well as cost estimated for future construction, which are based on the project Master Site Plan.

The Phase I area includes all of the offsite improvements, all on site common infrastructure and acquisition of preserve areas. The offsite improvements are all located outside of the secured/gated residential areas of the Project and are considered community wide improvements, which costs will be shared by the entire District.

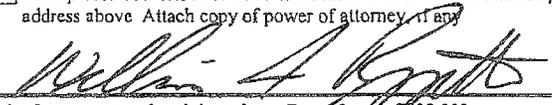
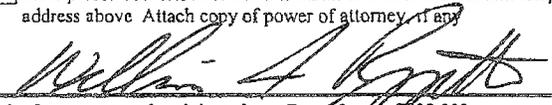
4.3 PERMITS

Federal, state, and local permits and approvals are required prior to the construction of site infrastructure. Permits and permit modifications are considered a part of the normal design and permitting process and may be applied for at the time the improvement is undertaken.

All permits known to be required for construction of the River Hall Phases I and Phase II main infrastructure are in effect. Included are permits from the Florida Department of Transportation, Army Corp of Engineers, the South Florida Water Management District, Lee County, the Florida Department of Environmental Protection, and the State of Florida Health and Rehabilitative Services. Additional permits will be required for future parcel development.

ATTACHMENT
“D”
TO JUNE 22, 2020 MEMORANDUM

B10 (Official Form 10) (12/08)

UNITED STATES BANKRUPTCY COURT FOR THE WESTERN DISTRICT OF TEXAS		PROOF OF CLAIM
Name of Debtor Hawk's Haven Developers, LLC		Case Number 09-11560
<small>NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.</small>		
Name of Creditor (the person or other entity to whom the debtor owes money or property) River Hall Community Development District		<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim. Court Claim Number: _____ (If known)
Name and address where notices should be sent Bill Rizzetta District Manager Rizzetta & Company, Inc 3434 Colwell Avenue, Suite 200 Tampa, FL 33614		
Telephone number 813-933-5571		Filed on _____
Name and address where payment should be sent (if different from above)		<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check this box if you are the debtor or trustee in this case.
11-20-09P12 42 RCVD <small>FILFD 01343</small> USBC WESTERN DIST TEXAS - AUSTIN DIVISION CRFSCEN I RESOURCES, I LC, ET AI		
Telephone number _____		5 Amount of Claim Entitled to Priority under 11 U.S.C. §507(a) If any portion of your claim falls in one of the following categories, check the box and state the amount. Specify the priority of the claim: <input type="checkbox"/> Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B) <input type="checkbox"/> Wages, salaries, or commissions (up to \$10,950*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. §507 (a)(4) <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. §507 (a)(5) <input type="checkbox"/> Up to \$2,425* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. §507 (a)(7) <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. §507 (a)(8) <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. §507 (a)(____)
1 Amount of Claim as of Date Case Filed \$ _____ <small>09-11507 (CAG)</small> If all or part of your claim is secured, complete item 4 below, however, if all of your claim is unsecured, do not complete item 4. If all or part of your claim is entitled to priority, complete item 5. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.		
2 Basis for Claim See attached statement (See instruction #2 on reverse side)		
3 Last four digits of any number by which creditor identifies debtor _____ 3a Debtor may have scheduled account as _____ (See instruction #3a on reverse side)		
4 Secured Claim (See instruction #4 on reverse side) Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information: Nature of property or right of setoff <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: _____ Value of Property \$ _____ Annual Interest Rate _____ % Amount of arrearage and other charges as of time case filed included in secured claim _____ if any, \$ _____ Basis for perfection _____ Amount of Secured Claim, \$ _____ Amount Unsecured \$ _____		
6 Credits The amount of all payments on this claim has been credited for the purpose of making this proof of claim.		
7 Documents Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements or running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See instruction 7 and definition of "redacted" on reverse side). DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING. If the documents are not available, please explain: _____		
Date 11/19/09 Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any. 		Amount entitled to priority \$ _____ <small>*Amounts are subject to adjustment on 4/1/10 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.</small>
Date 11/19/09 Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any. 		FOR COURT USE ONLY

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both 18 U.S.C. §§ 152 and 3571

SUMMARY & RESERVATION OF RIGHTS
in Support of Proof of Claim (Unsecured) of
RIVER HALL
COMMUNITY DEVELOPMENT DISTRICT
Against
HAWK'S HAVEN DEVELOPERS, LLC

The River Hall Community Development District (the "District") is a local unit of special-purpose government of the State of Florida created in accordance with the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended, and established pursuant to Chapter 42YY-1, Florida Administrative Code, implemented by the Florida Land and Water Adjudicatory Commission, effective on April 21, 2005, as amended.

As of the Petition Date, the District is owed the following

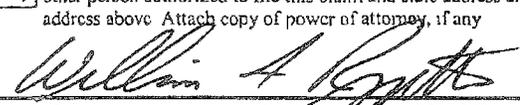
(a) Approximately \$10,555,008, representing the estimated costs of the remaining Series 2005 Improvements, due from the Debtor/Developer, Hawk's Haven Developers, LLC, pursuant to the documents identified and defined below and as further described in Section 4.1 of the Engineer's Report attached to the Completion Agreement describing the District's Improvement Plan. This estimate is calculated based on the estimated costs of the 2005 Improvements as described in Section 4.1 of the Engineer's report less actual expenses incurred and paid by the District (or the Debtor) to date. The actual amount required to complete the Series 2005 Improvements may well be in excess of this amount.

The District reserves the right to amend, replace, and/or supplement this claim at any time, and as may be necessary to include such other principal indebtedness, interest, set-off, assessments, charges, costs, expenses, and professional fees arising or incurred prior to or as of the commencement of this case as provided for in the supporting documents identified below, as follows:

(i) Funding and Completion Agreement, made and entered into as of October 26, 2005 between Hawk's Haven Developers, LLC, and Hawk's Haven Golf Course Community Developers, LLC, and River Hall Community Development District (the "Completion Agreement"),

Copies of the documents identified herein are attached hereto. Unless otherwise defined herein, all capitalized terms shall have the same meanings and definitions provided in the documents identified above. This claim is being filed as an unsecured claim as necessary to assert and preserve any and all rights available to the District under the documents identified above and applicable law.

B10 (Official Form 10) (12/08)

UNITED STATES BANKRUPTCY COURT FOR THE WESTERN DISTRICT OF TEXAS		PROOF OF CLAIM
Name of Debtor Hawk's Haven Golf Course Community Developers, LLC		Case Number 09-11562
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.		
Name of Creditor (the person or other entity to whom the debtor owes money or property) River Hall Community Development District		<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim. Court Claim Number _____ (If known)
Name and address where notices should be sent Bill Rizzetta District Manager Rizzetta & Company, Inc 3434 Colwell Avenue, Suite 200 Tampa, FL 33614		
Telephone number 813-933-5571		Filed on _____
Name and address where payment should be sent (if different from above)		<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check this box if you are the debtor or trustee in this case.
11-20-09P1240 RCVD FILED 01344 USBC - WESTERN DIST TEXAS AUSTIN DIVISION CRESCENT RESOURCES, LLC, FTAI		
Telephone number _____		5 Amount of Claim Entitled to Priority under 11 U.S.C. §507(a) If any portion of your claim falls in one of the following categories, check the box and state the amount. Specify the priority of the claim: <input type="checkbox"/> Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B) <input type="checkbox"/> Wages, salaries, or commissions (up to \$10,950*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. §507(a)(4) <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. §507(a)(5) <input type="checkbox"/> Up to \$2,425* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. §507(a)(7) <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. §507(a)(8) <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. §507(a)(____)
1 Amount of Claim as of Date Case Filed \$ _____ 09-11567 (CAG) If all or part of your claim is secured, complete item 4 below, however, if all of your claim is unsecured, do not complete item 4. If all or part of your claim is entitled to priority, complete item 5. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.		
2 Basis for Claim See attached statement (See instruction #2 on reverse side)		
3 Last four digits of any number by which creditor identifies debtor _____ 3a Debtor may have scheduled account as _____ (See instruction #3a on reverse side)		
4 Secured Claim (See instruction #4 on reverse side) Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information. Nature of property or right of setoff <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other _____ Describe _____ Value of Property \$ _____ Annual Interest Rate _____ % Amount of arrearage and other charges as of time case filed included in secured claim _____ if any \$ _____ Basis for perfection _____ Amount of Secured Claim \$ _____ Amount Unsecured \$ _____		
6 Credits The amount of all payments on this claim has been credited for the purpose of making this proof of claim.		
7 Documents Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements or running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See instruction 7 and definition of "redacted" on reverse side). DO NOT SEND ORIGINAL DOCUMENTS ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING. If the documents are not available, please explain _____		
Date <u>11/19/09</u> Signature The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any. 		FOR COURT USE ONLY Amount entitled to priority \$ _____ *Amounts are subject to adjustment on 4/1/10 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.



Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both 18 U.S.C. §§ 152and3571

SUMMARY & RESERVATION OF RIGHTS

in Support of Proof of Claim (Unsecured) of

RIVER HALL

COMMUNITY DEVELOPMENT DISTRICT

Against

HAWK'S HAVEN GOLF COURSE COMMUNITY DEVELOPERS, LLC

The River Hall Community Development District (the "District") is a local unit of special-purpose government of the State of Florida created in accordance with the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended, and established pursuant to Chapter 42YY-1, Florida Administrative Code, implemented by the Florida Land and Water Adjudicatory Commission, effective on April 21, 2005, as amended

As of the Petition Date, the District is owed the following:

(a) Approximately \$10,555,008, representing the estimated costs of the remaining Series 2005 Improvements, due from the Debtor/Developer, Hawk's Haven Golf Course Community Developers, LLC, pursuant to the documents identified and defined below and as further described in Section 4.1 of the Engineer's Report attached to the Completion Agreement describing the District's Improvement Plan. This estimate is calculated based on the estimated costs of the 2005 Improvements as described in Section 4.1 of the Engineer's report less actual expenses incurred and paid by the District (or the Debtor) to date. The actual amount required to complete the Series 2005 Improvements may well be in excess of this amount.

The District reserves the right to amend, replace, and/or supplement this claim at any time, and as may be necessary to include such other principal indebtedness, interest, set-off, assessments, charges, costs, expenses, and professional fees arising or incurred prior to or as of the commencement of this case as provided for in the supporting documents identified below, as follows:

(i) Funding and Completion Agreement, made and entered into as of October 26, 2005 between Hawk's Haven Developers, LLC, and Hawk's Haven Golf Course Community Developers, LLC, and River Hall Community Development District (the "Completion Agreement").

Copies of the documents identified herein are attached hereto. Unless otherwise defined herein, all capitalized terms shall have the same meanings and definitions provided in the documents identified above. This claim is being filed as an unsecured claim as necessary to assert and preserve any and all rights available to the District under the documents identified above and applicable law.

**ATTACHMENT
“E”
TO JUNE 22, 2020 MEMORANDUM**

MINUTES OF MEETING

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

**RIVER HALL
COMMUNITY DEVELOPMENT DISTRICT**

An emergency meeting of the Board of Supervisors of the River Hall Community Development District was held on **Friday, June 6, 2014 at 11:02 a.m.** at the River Hall Town Hall Building, located at 3089 River Hall Parkway, Alva, Florida 33920.

Present and constituting a quorum:

Grady Miars	Board Supervisor, Chairman (via speaker phone)
Roger Postlethwaite	Board Supervisor, Vice Chairman (via speaker phone)
Robert Nelson	Board Supervisor, Assistant Secretary
Paul Asfour	Board Supervisor, Assistant Secretary
Michael Morash	Board Supervisor, Assistant Secretary

Also present were:

Molly Syvret	District Manager, Rizzetta & Company, Inc.
Lindsay Whelan	District Counsel, Hopping Green & Sams, P.A.
Jennifer Kilinski	District Counsel, Hopping Green & Sams, P.A. (via speaker phone)

Audience

FIRST ORDER OF BUSINESS

Call to Order

Ms. Syvret called the meeting to order and read the roll call.

SECOND ORDER OF BUSINESS

Public Comment

Ms. Syvret advised the floor was open to audience comments related to the agenda, should anyone in the audience wish to provide comment at this time, however, it was noted that it may make more sense to present the business item and provide some background first, to allow the public a greater understanding of the matter, before taking comment. The audience agreed it would like to reserve comment until hearing a more detailed presentation of the matter before the Board.

Ms. Whelan provided an overview of the purpose for the emergency meeting and the process for the same. Ms. Syvret advised that in keeping with Chapter 189 Florida Statutes and the Districts Rules of Procedure; notice was posted on the Districts web site and Management was able to have notice published in this morning's paper. She further advised an additional ad will be run following the meeting which will provide more detailed information as to what action was taken at the meeting

THIRD ORDER OF BUSINESS

**Discussion Concerning Offer of
Settlement for Unsecured Claim in
Bankruptcy Proceeding**

Ms. Kilinski provided background relating to the bankruptcy and the District's unsecured claim relating to the completion and funding agreement. She advised a settlement offer has been made of \$2,750,705.21, which is good until 3:00 p.m. on June 2, 2014. Ms. Kilinsky advised that the amount of the offer represents 57.78% of the claim and is a higher percentage than what has been offered to other creditors in the same bankruptcy claim. She advised the District could reject the offer, though potential litigation costs to proceed would be very high. Ms. Kilinski advised the District's acceptance of the offer would result in a one time distribution to the District within ten days, rather than multiple distributions, and would mutually release the litigation trust. Ms. Kilinsky further advised that the distribution would be placed into the District's construction account and could only be utilized for construction of new public infrastructure capital improvements. Discussion ensued.

Public comments and questions were taken.

On a Motion by Mr. Postlethwaite, seconded by Mr. Asfour, with all in favor, the Board approved the Settlement Offer with a one time distribution in the amount of \$2,750,705.21, mutual release of the claim, authorizing the Chairman or Vice Chairman to execute the Settlement Agreement; and placing the funds in the construction account for construction of public infrastructure, for River Hall Community Development District.

FOURTH ORDER OF BUSINESS

Adjournment

On a Motion by Mr. Morash, seconded by Mr. Nelson, with all in favor, the Board adjourned the Board of Supervisors meeting at 11:22 a.m., for River Hall Community Development District.


Secretary Assistant Secretary


Chairman / Vice Chairman

ATTACHMENT
“F”
TO JUNE 22, 2020 MEMORANDUM

6/6/2014 RHCDD EMERGENCY MEETING (FROM AUDIO)

Molly Syvert:

I'd like call to order an emergency meeting of the Board of Supervisors of the River Hall Community Development District. Today is Friday, June 6, 2014 and the time is approximately 11:02 AM. Present and constituting a quorum this morning, we have board members: Robert Nelson, Paul Asfour and Michael Morash. Also present via speaker phone, we have board members Grady Miars, and Roger Postlethwaite. Present representing District Counsel we have Lindsey Whelan and we also have Jennifer Kilinski via telephone. Myself, Molly Syvert with District Management and we have a couple audience members as well.

I'm going to go ahead and turn things over to Ms. Whelan. She's going to provide a little bit of background relating to the process for emergency meetings and then address a little bit of the issues and relate it to public comment as well. So Lindsay, if you want to go ahead and start things off.

Lindsay Whelan:

Yes. As you all are aware this is an emergency meeting, the scope of which is to take up the bankruptcy litigation claim based on a recent agreement. The litigation's been going on for a number of years. We've received a proposed settlement offer from the Litigation Trust, which is going to be the scope of the discussion today. I just want to, for you own edification remind you that for an emergency meeting, the scope of an emergency meeting has to be for the health, safety, and welfare of the district or the residents.

The settlement offer has to be either accepted or not accepted by 3:00 PM today. So our firm takes the stance that that's certainly an emergency for the district. For the health, safety, and welfare. Now because the scope of an emergency meeting is severely limited, I just wanted to, for the residents and as well for the supervisors remind you to make sure that your discussions, your question, your comments are on the scope of the actual proposal in front of you, the offer for settlement.

In the event that we get off topic and talk about anything that's not related to the settlement offer, it could be a potential Sunshine Law violation so I just want to remind you of that. Obviously, we have audience members who are present. If you want to make comments now, you're certainly welcome to. It may be more helpful for you to listen to the background that Jennifer's going to provide and then have any comments you have, but to the extent you have them now, certainly welcome to-

Molly Syvert:

Before we hand things off to Ms. Kilinski to provide overview, I do just want to note for the record on a procedural basis that in conjunction with Florida statute and the District's rules of procedure, in terms of calling the emergency meeting, we did get notice provided to all the Board members, very close to 24 hours in advance which is what you aim for in that situation. We were able to get a notice posted on the District's website and we actually were even able to get a notice published in the paper this morning. And then following this meeting, we will publish another notice in the newspaper that will provide more information as to what occurred at the meeting today.

Mr. Postlethwaite: There's a little interference in the background, can that be eliminated?

Molly Syvert: I don't think it is on our end.

Mr. Miars: I'll put my phone on mute. I'm in my car.

Molly Syvert: Thank you.

Mr. Postlethwaite: Thank you.

Molly Syvert: Jennifer. Do you want to go ahead and take over then?

Jennifer Kilinski: Sure. And can everybody hear me okay?

Mr. Postlethwaite: Yes, thank you.

Speaker 6: Yes.

Jennifer Kilinski:

Okay, great. What I wanted to do is provide for the purposes of the Board and the audience members present to start a beginning of the bankruptcy proceedings and how we have in front of you today, this offer for settlement on the bankruptcy. Essentially Crescent Resources, the developer here which is an arm of Duke Energy filed for Chapter 11 Bankruptcy in 2009. And this District, among several other districts have filed a claim in conjunction with that bankruptcy. This is not a bankruptcy that's just a Florida this district, but rather a national bankruptcy that actually the court, the bankruptcy court is out of San Antonio, Texas. So in 2009, the District filed two claims. The first claim was for a secured claim that secured the District's debt assessment. So there's that assessment as I think the Board is well aware are the assessments that were levied in conjunction with issuance of the bond. So we filed that secured claim and its secured because it's a governmental lien. Assessment for a governmental lien.

That claim was disposed of pretty quickly, the bankruptcy court essentially said, we recognize that you have a governmental lien and assessment. We don't have authority to wipe those out in the bankruptcy. Your secured claim is dismissed. Your lien is still in place. That was dumped, like I said within a year of the bankruptcy being filed. The District also though filed an unsecured claim. And that's what we have before you today. And that unsecured claim is based on the Completion Agreement. That defines the bonds were issued, the District in consideration for issuing this bond. required the developers to execute a Completion Agreement and that agreement essentially said, we have a master improvement plan, we the District. And that Master Improvement Plan was done at the time the District was created and the Master Improvement Plans are designed to ascertain what improvements are contemplated in the scope of that entire project.

So it will be anything that could possibly be constructed I've got to think at the time, the District established. And so then those bonds, sorry that Completion Agreement, to the extent the District doesn't have the funds necessary to complete the Completion Agreement you developer agreed that you will give us the benefit of the project. And you will fund the remaining improvements. That is an agreement that's not secured by assessments. It's not secured by a lien, but I think that in the secured claim and that would be part of the bankruptcy. So when that claim was filed in 2009, our firm has been monitoring litigations since then and in 2011, the Litigation Trustee, which is the trust that was established by Duke Energy to oversee the distribution of funds for this bankruptcy, they reached out to the District and had an offer of settlement. Stipulation, if you will for a lesser amount of the claim. So this District's claim was originally around \$10,000,000.00, the Litigation Trust came to the District and asked in a spirited negotiation so it's pretty heavily [inaudible 00:06:49] at the time for a claim of around four and a half million dollars. \$4.6 million.

And that was about the amount that we anticipated that would be needed to fund the remaining improvements under that plan I was referencing before. In consideration with doing that, the District understood that by doing, that by having that stipulation, we would never have to try over this amount. We both agreed that was the amount and unless a condition of that stipulation was met, it would never be a question about what that amount was. And I say that to explain why the District back in 2011 entered into that stipulation. Those conditions, in order to reduce the claim are only met under one of three conditions. Number one, that the District itself undertook construction of the improvements in the plan. District went out, got proposals and constructed pieces of that improvement or the developer did that on their own. Took the plan and went and constructed items under the plans, or finally it's what they deem under the agreement as the owner, which could be another developer, a master developer or another landowner.

And so those are the only conditions that the claim could be lowered. So we have again been monitoring litigation since that stipulation was entered into in 2011. And I also want to note that we have been involved in a number of bankruptcies over the years and typically on these unsecured claims, while we monitored the claim, we very rarely pursue them. And the reason is that oftentimes in a bankruptcy, there's just no money. So you may get pennies on the dollar. So for an example on some that I've seen, we may have a \$5 million claim, but we only stand to get \$20,000 if we quote unquote win. Meanwhile, you might spend \$50,000 in litigation fees and expert witnesses. So it's just not worth it. You would still lose \$30,000 to pursue the claim. In this case though, there was a large trust established and our understanding in talking to other creditors is that there was a distribution of somewhere around 50 cents on the dollar.

So we knew that our claim was \$4.6 million that the district could possibly gain \$2 million and that made it worth pursuing. So we've been jogging along since 2011, monitoring litigation. And in March, we got a motion sent to our office that was a motion to establish the District's claim at \$0. That of course took us by surprise. We knew we had a stipulation, which meant that we wouldn't have to litigate the issue and that our claims should still be the full \$4.6 million knowing that construction hadn't occurred. We had to respond to that motion quickly within 20 days, which we did that said essentially no completion, there's been no construction, our claim should still be \$4.6 million. We don't agree with that Litigation Trustee's motion.

Shortly after that, there was a case status hearing held where we just called in telephonically to bankruptcy court in San Antonio. The bankruptcy court essentially said to us, we don't know who's telling the truth. They're saying you've constructed everything, you're saying you haven't so we need to enter into a very short discovery window. So they issued an order for discovery for about 30 days to allow exchange of documents and deposition of witnesses, which is where we are now. We'd actually be in that discovery window.

On Thursday, sorry on Wednesday night, I got an email from the attorney for the Litigation Trust that offered, that made a settlement offer. And the offer essentially is for \$2.75 million. It's \$2,750,705 and 21 cents. And the offer was only good through three o'clock on Friday, today. The reason that we have you here today is because typically when I have been in litigation and there's an offer like that, we tell the other party we are a public entity. We have to have a special meeting. We have to act in the Sunshine. Will you consider extending that deadline? In this case, just there's a lot of history here, but I think the short version is that we have had a interesting time with the lawyers for the litigation trust. They have been very difficult to deal with and very unwilling to bend and show goodwill in terms of professional relationships with their creditors.

So I say that to say I would have asked for an extension, but for the threat of them withdrawing the settlement offer. And the reason that's important is because this distribution percentage is actually 57.78% of our claim, which is higher than we have been experiencing with other creditors in the same bankruptcy. We've been getting 52 cents, 53 cents on the dollar. This is 57 cents on the dollar. What's more as we know, the costs of litigation are high. We would have to go to Austin to depose witnesses, we'd have to pay for expert witness fees here in Florida. That's not the legal expenses, et cetera, et cetera that if we can avoid those costs of litigation, we've done no depositions yet with this part of the biggest expense, get more money than we were thinking we'd get on distribution anyway, that this seems to be a great offer to accept and just didn't want to bypass that and risk having it withdrawn if we didn't get you all together by three o'clock today.

So I know that is a ton of information. I'm happy to answer any questions about that process or what that means, but essentially what we're looking for today is the consideration of accepting the offer of the \$2,750,705.21. And I would note that by accepting that two other things occur. One is that we would be obtaining a one-time distribution. There's a possibility if you didn't do the one-time distribution, you make it a second distribution of whatever residuals left in the trust after they distribute, all the money. We have talked to the lawyers of the Litigation Trust as well as other creditors that appears to be maybe a few thousand dollars at most, if anything. We're not talking about hundreds of thousands of dollars. We're talking about three or four thousand dollars because it would go pro-rata to all our creditors.

The other thing that we'd be doing is mutually releasing the litigation trust and it would be mutually releasing us. That would occur anyway in the course of an order entered by the court, but we will have a separate settlement

agreement so I just wanted to be clear that that would also be language that would be necessitated based on this settlement offer. I know again, it's a lot of information. Does anybody have any questions with regard to what I just explained?

Paul Asfour: Yeah. This is Paul Asfour Jennifer. You did an excellent job of explaining everything. Thank you.

Jennifer Kilinski: Thank you.

Paul Asfour: You sent me a list of the projects that haven't been completed yet. Can that be discussed here today or not?

Jennifer Kilinski:

Yeah, I think it's a good question of the Board and I think this is a normal question. So let's assume we get the \$2.75 million. What can that money be used for? And I think my answer is that what I had told the other district's representatives the safest thing that you can do with this money. Think about why the bankruptcy occurred, why we have this unsecured claim based on that Completion Agreement. The Completion Agreement was required to complete public improvements. So what I would recommend that the Board do is authorize that money, which will come quickly by the way. Once the order is entered, it's required to be distributed within 10 days. And that money be wired straight into the district's construction accounts. So what that means is that money would be earmarked only for construction-related expenditures, which means anything that the district under Chapter 190 has the authority to construct, it could be used for any of those capital improvements.

It could be used for the master improvements, the list that you saw Paul. It could also be used for other projects that the district decided it wanted to undertake. I know there's for example a traffic signal, if you decide that you want to move forward with that, they could use to fund that. But so long as it's a public infrastructure improvement, that money can be used for that purpose.

Paul Asfour:

Okay. With that in mind, excuse me. Where is the golf course community phase three and the non-golf community phase four? Can somebody tell me that?

Jennifer Kilinski:

I don't have the master improvement or development plan in front of me. And I don't know that Carl is there. That's certainly questions that we could answer after the money was entered into the account. Like what are these improvements we're anticipating? I'm not sure if it has bearing per se on whether the bankruptcy offer is going to be okay, but I'm sorry that I can't answer that question.

Paul Asfour: Okay. Thank you. Yeah, I can forward it to you.

Jennifer Kilinski:

If there's not any other questions, essentially like we said, we'd be looking for a motion that would approve the acceptance of the settlement offer of \$2,750,705.21. And also conditioned on the mutual release that the Litigation Trustee and the District. This would be a one-time distribution. And I'd also be looking for authority for the chair or vice chair to execute any agreements or documents that may be required to necessitate the application of that settlement agreement. We just don't have a form of agreement yet. We wouldn't allow any other dollar amounts to be accepted, but we will need somebody to execute an agreement from here in the next couple of days.

Molly Syvert:

And prior to a motion, the audience comments were waived at the beginning, no one had any audience comments so I wanted to open it up for the audience. Do you have any additional comments that you didn't have at the beginning?

Karen Asfour: Karen Asfour. Is this the only claim left with the bankruptcy that the CDD has at this time?

Jennifer Kilinski:

It is. This is the remaining claim. There's the secured and the unsecured claim. This will wrap up the bankruptcy for this District.

Paul Asfour:

Does the motion have to, I'm sorry. Paul Asfour again, does the motion have to include the fact that it will go into the construction account or is that automatic?

Jennifer Kilinski:

Unless the Board disagrees as to where it should go that's where the money will go, but I have no problem with it being added to the motion if you want to make it clear.

Molly Syvert: Would you prefer that?

Paul Asfour: Yes.

Molly Syvert:

Okay. So at this time if you're comfortable, the motion that we'd be looking at is a motion to approve the settlement offer for a one-time distribution in the amount of \$2,750,705.21. It would also be mutually agreeing with the Litigation Trust to mutually release each other's claims as it relates to the unsecured claim. To authorize the chair or vice chair to execute the final form of the settlement. Again the number itself wouldn't be changed, but we're going to need to draft a settlement agreement which would need to be executed and for to provide that the monies received by the district pursuant to the settlement would be placed in the construction account to be used for the construction of public infrastructure.

Mr. Postlethwaite: So moves.

Paul Asfour: Second.

Lindsay Whelan:

So motioned by Mr. Postlethwaite and that was seconded by Mr. Asfour. Any further discussion? All in favor?

Paul Asfour: Aye.

Mr. Postlethwaite: Aye.

Grady Miars: Aye.

Lindsay Whelan: Any opposed?

Lindsay Whelan:

And that motion carries. Was there any other items that you guys needed to take care of then?

Molly Syvert

No. That's the only item under the agenda for this emergency meeting.

Lindsay Whelan:

With that then, there is no further business to come before the board in the emergency meeting today and a motion to adjourn would be in order.

Grady Miars: If I may just first of all, congratulate counsel on all their fine work.

Paul Asfour: Thank you very much.

Jennifer Kilinski:

Thank you and thanks for the expedited schedule. I know it's been fast-moving, I appreciate everybody's patience with us.

Paul Asfour: Now we get overtime for this, right?

Lindsay Whelan:

I had a motion to adjourn by Mr. Morash which has been seconded by Mr. Nelson, all in favor?

Paul Asfour: Aye.

Grady Miars: Aye.

Mr. Postlethwaite: Aye.

Lindsay Whelan: Okay, and the meeting is adjourned at 11:22. Thank you everyone.

Jennifer Kilinski: Thanks again. Have a great weekend.

ATTACHMENT

“G”

TO JUNE 22, 2020 MEMORANDUM



IT IS HEREBY ADJUDGED and DECREED that the below described is SO ORDERED.

Dated: June 18, 2014.

**CRAIG A. GARGOTTA
UNITED STATES BANKRUPTCY JUDGE**

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

IN RE: § CHAPTER 11
§ CASE NO. 09-11507-CAG
CRESCENT RESOURCES, LLC, et al., §
Debtors. § Jointly Administered

**AGREED ORDER ON LITIGATION TRUSTEE'S MOTION TO
ESTABLISH AMOUNT OF CLAIM OF RIVER HALL COMMUNITY
DEVELOPMENT DISTRICT
(CLAIM NOS. 1343 AND 1344)**

CAME BEFORE the Court on this day the *Litigation Trustee's Motion to Establish Amount of Claim of River Hall Community Development District (Claim Nos. 1343 and 1344)* (Doc#2557) (the "Motion to Establish Amount of Claim"). The Court, having considered the pleadings on file and River Hall Community Development District ("River Hall CDD") and the Litigation Trustee having agreed that the claim should be allowed in the amount of \$4,760,000.00, finds that this Order should be entered, and the Claim filed by River Hall CDD should be allowed as set out below for Plan distribution purposes. It is therefore

ORDERED that the Motion to Establish Amount of Claim is granted. It is further

ORDERED that Claim Nos. 1343 and 1344 filed by River Hall CDD should be allowed under the terms of the Stipulation of Allowed Unsecured Proofs of Claim Filed by River Hall CDD (Claim Nos. 1343 and 1344) (Doc#1928) and, therefore, the Claim is allowed as a Class A

Litigation Trust Interest in the amount of \$4,760,000.00 for the purpose of distribution by the Litigation Trustee to Class A Allowed Other General Unsecured Claims. It is further

ORDERED that the Trust shall make a distribution of \$2,750,705.21 to the River Hall CDD within ten (10) days after entry of this Order, and that such distribution shall be in full and complete satisfaction of the rights of River Hall CDD under the Plan. It is further

ORDERED that a copy of this Order will be served by the clerk's office upon the claimant.

River Hall Community Development District
c/o Bill Rizzetta, District Manager
Rizzetta & Company, Inc.
3434 Colwell Ave., Ste. 200
Tampa, FL 33614

###

APPROVED AS TO FORM:

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kents@hgslaw.com

By: 
Joseph D. Martinec
State Bar No. 13137500

ATTORNEYS FOR CRESCENT RESOURCES
LITIGATION TRUST

By: 
D. Kent Safriet (FBN 174939)

ATTORNEYS FOR RIVER HALL COMMUNITY
DEVELOPMENT DISTRICT

ATTACHMENT
“H-1”
TO JUNE 22, 2020 MEMORANDUM

**CRESCENT RESOURCES LITIGATION TRUST
DAN BENSIMON, TRUSTEE**

5810 TOM WOOTEN DRIVE
AUSTIN, TX 78731

1357

DATE June 19, 2014

88-2299/1113
3413

PAY
TO THE
ORDER OF

River Hills Community Development District \$2,750,705 ²¹/₁₀₀
two million seven hundred and fifty thousand seven hundred and five ²¹/₁₀₀ DOLLARS



PlainsCapitalBank



www.plainscapital.com
Austin, Texas

FOR

in full settlement

MP

⑈001357⑈ ⑆111322994⑆ 4100031477⑈



IT IS HEREBY ADJUDGED and DECREED that the below described is SO ORDERED.

Dated: June 18, 2014.

**CRAIG A. GARGOTTA
UNITED STATES BANKRUPTCY JUDGE**

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

IN RE: § CHAPTER 11
§ CASE NO. 09-11507-CAG
CRESCENT RESOURCES, LLC, et al., §
Debtors. § Jointly Administered

**AGREED ORDER ON LITIGATION TRUSTEE'S MOTION TO
ESTABLISH AMOUNT OF CLAIM OF RIVER HALL COMMUNITY
DEVELOPMENT DISTRICT
(CLAIM NOS. 1343 AND 1344)**

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ORDERED that the Motion to Establish Amount of Claim is granted. It is further

ORDERED that Claim Nos. 1343 and 1344 filed by River Hall CDD should be allowed under the terms of the Stipulation of Allowed Unsecured Proofs of Claim Filed by River Hall CDD (Claim Nos. 1343 and 1344) (Doc#1928) and, therefore, the Claim is allowed as a Class A

Litigation Trust Interest in the amount of \$4,760,000.00 for the purpose of distribution by the Litigation Trustee to Class A Allowed Other General Unsecured Claims. It is further

ORDERED that the Trust shall make a distribution of \$2,750,705.21 to the River Hall CDD within ten (10) days after entry of this Order, and that such distribution shall be in full and complete satisfaction of the rights of River Hall CDD under the Plan. It is further

ORDERED that a copy of this Order will be served by the clerk's office upon the claimant.

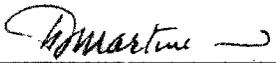
River Hall Community Development District
c/o Bill Rizzetta, District Manager
Rizzetta & Company, Inc.
3434 Colwell Ave., Ste. 200
Tampa, FL 33614

###

APPROVED AS TO FORM:

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By: 
Joseph D. Martinec
State Bar No. 13137500
ATTORNEYS FOR CRESCENT RESOURCES
LITIGATION TRUST

By: 
D. Kent Safriet (FBN 174939)
ATTORNEYS FOR RIVER HALL COMMUNITY
DEVELOPMENT DISTRICT

ATTACHMENT
“H-2”
TO JUNE 22, 2020 MEMORANDUM

CRESCENT RESOURCES LITIGATION TRUST
Dan Bensimon, Trustee

Date: April 4, 2014

Re: *Initial¹ Distribution by Crescent Resources Litigation Trust - Releases*

Under the provisions of the Litigation Trust Agreement approved by the Bankruptcy Court for the Western District of Texas in the jointly administered Chapter 11 cases of Crescent Resources, LLC et al, Chapter 11 No. 09-11507-CAG, the Crescent Resources Litigation Trust is authorized to distribute funds recovered in certain litigation matters to the beneficiaries of the Litigation Trust. The principal litigation matter, a suit by the Litigation Trust against Duke Energy and related parties, was concluded by a settlement which was conditioned, among other requirements, on the granting of releases of all of the parties to the litigation, including to all of the defendants in that and related litigation by the Litigation Trust and its beneficiaries.

By depositing or cashing the enclosed check from Crescent Resources Litigation Trust (the "Litigation Trust"), you are agreeing to release any and all claims against the Litigation Trust, its Trustee, Board, employees, beneficiaries, attorneys, agents, advisors, consultants, experts, successors, and assigns, the Debtors, and the Creditors' Committee in the Crescent Resources et al. bankruptcy proceedings (collectively, the "**Litigation Trust Released Parties**") and the **Defendant Released Parties**, the identities of which are listed on the attached "Exhibit A."

The distribution you have received is on account of a Class A beneficiary interest which is based on a Claim allowed in Crescent Resources Chapter 11. By depositing or cashing the enclosed check from the Litigation Trust, you are affirming that:

1. you have not transferred the Class A beneficiary interest to any other company or individual,
2. you have received no payments on account of the Claim from any other source.

¹ The Trust does not anticipate that there will be any subsequent distribution of any substantial amount. There are a few unresolved disputed claims and the Trust has taken a few default judgments, but the favorable resolution of those claims and collection of those judgments are not likely to provide substantial additional funds to the Trust.

EXHIBIT A

Defendant Released Parties

Duke Entities:

Duke Energy Corporation
Duke Ventures, LLC
Spectra Energy Capital, LLC f/k/a Duke
Capital, LLC
Duke Ventures, Inc.
Duke Energy Carolinas, LLC
Duke Energy Carolinas

together with their respective officers,
directors, employees, shareholders,
attorneys, agents, advisors, consultants,
experts, affiliates, insurers, successors, and
assigns (collectively the “**Duke Released
Parties**”)

Individual Defendants:

B. Keith Trent
Jim W. Mogg
R. Wayne McGee
Arthur W. Fields

together with their respective attorneys,
agents, advisors, consultants, experts,
successors, and assigns (collectively, the
“**Individual Released Parties**”)

Bonus Defendants:

James L. Atkinson
Brooks R. Boyd
Alan M. Burnett

James T. Cullis
Jim E. Doyle
Patrick G. Emery
Robert Furlong
Norman W. Gregory
Mary Paige Grisette
Allen S. Harrington
James P. Harvey
Philip M. Hayes
Patrick Henry
Henry S. Higgins, III
Margaret H. Jenness
Benny K. Jones
James R. Kirkendoll
Robert W. McGee
Leslie A. Mitchell
David J. Niekamp
Roy E. Parrish, III
Roger F. Postlethwaite
Arthur P. Raymond
Fulton A. Smith, Sr.
Monroe Scott Stephens
H. Thomas Webb, III
Edward J. Weinlein
Jon C. Yelverton
Robert H. Zeiller

together with their respective attorneys,
agents, advisors, consultants, experts,
successors, and assigns.

All collectively, the “**Defendant Released
Parties.**”

ATTACHMENT
“H-3”
TO JUNE 22, 2020 MEMORANDUM

Hopping Green & Sams

Attorneys and Counselors

June 25, 2014

William J. Rizzetta
Rizzetta Management Services
5020 Linebaugh Avenue, Suite 200
Tampa, Florida 33624

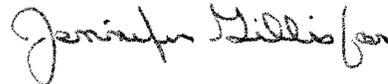
Re: River Hall Community Development District

Dear Bill,

Enclosed are copies of the final order of the bankruptcy court on the Crescent Resources bankruptcy matter, along with the final distribution to the River Hall CDD for the bankruptcy claim. Please deposit this check in the District's construction account.

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

Sincerely,



Jennifer Kilinski

JLK/jlg

Enclosures

cc: Molly Syvret

RIVER HALL COMMUNITY DEVELOPMENT DISTRICT

DISTRICT OFFICE · 9530 MARKETPLACE ROAD · SUITE 206 · FT. MYERS, FLORIDA 33912

June 26, 2014

US Bank Corporate Trust Services
Attn: Lee Daugherty
225 E. Robinson St., Ste. 250
Orlando, FL 32801

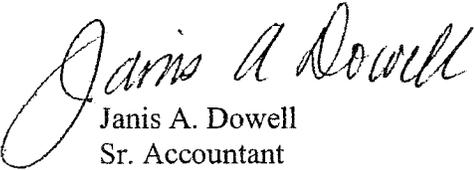
Re: River Hall CDD
Crescent Resources Litigation Trust check 1357

Dear Lee:

Please deposit the enclosed check in the amount of \$2,750,705.21 in the River Hall CDD Series 2011 Construction Fund account, number to be determined when account is opened. The check is in settlement of the District's claim in the Crescent Resources' bankruptcy judgment.

Please contact District Counsel Jennifer Kilinski at Hopping Green & Sams if you have any questions.

Sincerely,



Janis A. Dowell
Sr. Accountant

Enclosures

Cc: Janice Entsminger, US Bank

ATTACHMENT

“1”

TO JUNE 22, 2020 MEMORANDUM

NOT RATED

THIS INFORMATION MEMORANDUM IN CONNECTION WITH EXCHANGE OFFER, TENDER AND CONSENT SOLICITATION ("INFORMATION MEMORANDUM") IS BEING PREPARED AND PRESENTED SOLELY TO MEMORIALIZE THE TERMS OF A RESTRUCTURE OF CERTAIN BONDS AND THE INDENTURE ASSOCIATED THEREWITH, AUTHORIZED, AND CONSENTED TO, BY 100% OF THE HOLDERS OF THE BONDS. THIS IS NOT INTENDED TO BE A LIMITED OFFERING MEMORANDUM, A SUPPLEMENT TO A LIMITED OFFERING MEMORANDUM, OR OTHER REMARKETING CIRCULAR. UNDER NO CIRCUMSTANCES SHALL THIS INFORMATION MEMORANDUM OF RESTRUCTURE CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY, NOR SHALL THERE BE ANY EXCHANGE OF THE SECURITIES IN ANY STATE IN WHICH SUCH AN OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION, QUALIFICATION OR EXEMPTION UNDER THE SECURITIES LAWS OF SUCH STATE.

INFORMATION MEMORANDUM

IN CONNECTION WITH
EXCHANGE OFFER, TENDER AND CONSENT SOLICITATION

\$26,365,000
River Hall Community Development District
(Lee County, Florida)
Capital Improvement Revenue Bonds, Series 2011

<u>Series</u>	<u>Amount</u>	<u>Maturity Date</u>	<u>CUSIP No.</u>
2011A-1	\$12,505,000	May 1, 2036	768247AB4†
2011A-2	\$13,860,000	May 1, 2036	768247AC2†

(the "Series 2011 Bonds")

THE EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK TIME, ON MAY 28, 2011, UNLESS EXTENDED OR EARLIER TERMINATED. THE DATE ON WHICH THE OFFER, AS IT MAY BE EXTENDED BY THE RIVER HALL COMMUNITY DEVELOPMENT DISTRICT (THE "DISTRICT"), EXPIRES OR IS TERMINATED IS REFERRED TO HEREIN AS THE "EXPIRATION DATE."

THE TERMS OF THE EXCHANGE OFFER, TENDER AND CONSENT SOLICITATION, INCLUDING THE CONDITIONS TO WHICH THE OFFER IS SUBJECT, ARE DESCRIBED HEREIN. THE DISTRICT RESERVES THE RIGHT TO WAIVE OR CHANGE ANY TERM OR CONDITION OF THE EXCHANGE OFFER.

The Exchange/Tender Agent for the Offer is:

M. Janice Entsminger
Vice President & Account Manager
U.S. Bank Corporate Trust Services
225 E. Robinson Street, Suite 250
Mail Code EX-FL-UORT
Orlando, FL 32801
Ph: 407-835-3810
Fax: 407-835-3814
email: janice.entsminger@usbank.com

May 24, 2011

† The District is not responsible for the use of the CUSIP numbers referenced herein nor is any representation made by the District as to their correctness; such CUSIP numbers are included solely for the convenience of the readers of this Information Memorandum.

ALL OF THE TERMS AND CONDITIONS OF THE RESTRUCTURING PLAN AND EXCHANGE ARE SET FORTH IN THIS INFORMATION MEMORANDUM, WHICH IS PROVIDED BY THE RIVER HALL COMMUNITY DEVELOPMENT DISTRICT (THE "DISTRICT") AND DATED MAY 24, 2011. OWNERS SHOULD READ THIS INFORMATION MEMORANDUM THOROUGHLY IN ORDER TO MAKE AN INFORMED DECISION REGARDING THE PROPOSED RESTRUCTURING PLAN AND EXCHANGE OFFER.

THIS INFORMATION MEMORANDUM IS INTENDED TO BE READ IN ITS ENTIRETY. THE SUMMARIES AND DESCRIPTIONS HEREIN OF THE INDENTURE (AS DEFINED BELOW), THE 2005 BONDS, THE SERIES 2011 BONDS AND CERTAIN PROVISIONS OF LAW DO NOT PURPORT TO BE COMPLETE AND ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE COMPLETE PROVISIONS THEREOF.

~~THE DISTRICT RESERVES THE RIGHT TO TERMINATE THIS OFFER AT ANY TIME ON OR PRIOR TO THE EXPIRATION DATE, AS MAY BE EXTENDED FROM TIME TO TIME, IN ITS SOLE DISCRETION. THERE WILL BE NO OBLIGATION TO EXCHANGE 2005 BONDS PREVIOUSLY TENDERED IF TERMINATION OCCURS. NOTICE OF ANY SUCH TERMINATION WILL BE GIVEN TO BOND OWNERS THROUGH PROVISIONS OF SUCH NOTICE TO THE DEPOSITORY TRUST COMPANY ("DTC") AND TO THE EXCHANGE/TENDER AGENT PROMPTLY AFTER THE DATE THEREOF.~~

NO BROKER, DEALER, SALESPERSON, OR OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION REGARDING THIS EXCHANGE ON BEHALF OF THE DISTRICT OR THE EXCHANGE/TENDER AGENT THAT IS NOT CONTAINED IN THIS INFORMATION MEMORANDUM. IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED.

U.S. BANK NATIONAL ASSOCIATION (AS SUCCESSOR IN TRUST TO WACHOVIA BANK, NATIONAL ASSOCIATION) ("U.S. BANK") ACTS AS TRUSTEE UNDER THE TERMS OF THE TRUST INDENTURE ENTERED INTO IN CONNECTION WITH THE 2005 BONDS (THE "2005 INDENTURE"), AS AMENDED BY THAT CERTAIN FIRST SUPPLEMENTAL TRUST INDENTURE, DATED AS OF OCTOBER 1, 2005 (THE "FIRST SUPPLEMENTAL INDENTURE") (THE 2005 INDENTURE TOGETHER WITH THE FIRST SUPPLEMENTAL TRUST INDENTURE, THE "ORIGINAL INDENTURE"), AND AS AMENDED AND SUPPLEMENTED BY THAT CERTAIN SECOND SUPPLEMENTAL TRUST INDENTURE DATED AS OF MAY 1, 2011 (THE "SECOND SUPPLEMENTAL INDENTURE" AND COLLECTIVELY, THE "INDENTURE") AND APPLICABLE LAW. U.S. BANK DOES NOT HAVE ANY ROLE IN THE FINANCIAL DECISIONS OR BUSINESS DECISIONS OF THE DISTRICT, AND HAS NO OBLIGATION TO PAY THE AMOUNTS OWING UNDER THE 2005 BONDS. U.S. BANK IS NOT RESPONSIBLE FOR THE FACTUAL OR FINANCIAL INFORMATION BEING PROVIDED TO YOU IN CONNECTION WITH THE PROPOSED RESTRUCTURING PLAN AND EXCHANGE. THIS INFORMATION SHOULD BE REGARDED AS COMING SOLELY FROM THE DISTRICT.

THE OFFER IS NOT BEING MADE TO, NOR WILL TENDERS BE ACCEPTED FROM OR ON BEHALF OF, BONDHOLDERS IN ANY JURISDICTION IN WHICH THE MAKING OF THIS OFFER OR THE ACCEPTANCE THEREOF WOULD NOT BE IN COMPLIANCE WITH THE LAWS OF THAT JURISDICTION.

THIS INFORMATION MEMORANDUM SETS FORTH INFORMATION ABOUT THE DISTRICT, THE RESTRUCTURING PLAN AND EXCHANGE OFFER TO ASSIST THE HOLDERS OF THE BONDS IN EVALUATING THE DISTRICT'S RESTRUCTURING PLAN AND EXCHANGE OFFER. THE DISTRICT MAKES NO RECOMMENDATION TO ANY HOLDER OF

BONDS AS TO WHETHER OR NOT TO CONSENT TO THE EXCHANGE OFFER BY TENDERING THE BONDS. EACH BONDHOLDER MUST MAKE ITS OWN DECISION WHETHER OR NOT TO TENDER ITS BONDS.

NEITHER THE SERIES 2011 BONDS NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF FLORIDA. THE SERIES 2011 BONDS AND THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE DISTRICT OR A LIEN UPON ANY PROPERTY OF THE DISTRICT OTHER THAN AS PROVIDED IN THE INDENTURE. NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO DIRECTLY, INDIRECTLY OR CONTINGENTLY COMPEL OR OBLIGATE THE DISTRICT TO PLEDGE ANY FUNDS WHATSOEVER THEREFROM OR TO MAKE ANY APPROPRIATION FOR THAT PAYMENT OTHER THAN AS PERMITTED IN THE INDENTURE NOR SHALL ANY PERSON HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE DISTRICT, LEE COUNTY, THE STATE OF FLORIDA, OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY DEBT SERVICE OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE SERIES 2011 BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE SERIES 2011 BONDS, SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE PLEDGED REVENUES AND THE PLEDGED FUNDS AND ACCOUNTS PLEDGED TO THE SERIES 2011 BONDS, ALL AS PROVIDED, IN THE INDENTURE.

THE SERIES 2011 BONDS INVOLVE A SIGNIFICANT DEGREE OF RISK (SEE "BONDHOLDER RISKS" HEREIN) AND ARE NOT SUITABLE FOR ALL INVESTORS (SEE "SUITABILITY FOR INVESTMENT" HEREIN). THIS EXCHANGE IS LIMITED TO ACCREDITED INVESTORS WITHIN THE MEANING OF THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES. NO APPLICATION HAS BEEN MADE FOR A RATING WITH RESPECT TO THE SERIES 2011 BONDS. THE SERIES 2011 BONDS ARE BEING OFFERED SOLELY TO THE HOLDERS OF THE 2005 BONDS IN EXCHANGE FOR A PORTION THEREOF. SUCH LIMITED OFFERING DOES NOT DENOTE RESTRICTIONS OR TRANSFERS IN ANY SECONDARY MARKET FOR THE SERIES 2011 BONDS. SEE "BONDHOLDER RISKS" AND "SUITABILITY FOR INVESTMENT" HEREIN.

THE SERIES 2011 BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON CERTAIN EXEMPTIONS SET FORTH IN SUCH ACTS. THE REGISTRATION, QUALIFICATION OR EXEMPTION OF THE SERIES 2011 BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF ANY JURISDICTIONS WHEREIN THESE SECURITIES HAVE BEEN OR WILL BE REGISTERED, QUALIFIED OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF.

THE INFORMATION AND EXPRESSIONS OF OPINION HEREIN CONTAINED ARE SUBJECT TO CHANGE WITHOUT NOTICE AND NEITHER THE DELIVERY OF THIS INFORMATION MEMORANDUM, NOR ANY EXCHANGE MADE HEREUNDER, SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE DISTRICT SINCE THE DATE HEREOF.

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 APPENDIX A:	 Audited Financial Statements of River Hall Community Development District for Fiscal Year ended September 30, 2009
APPENDIX B:	Form of Indenture with all Amendments thereto
APPENDIX C:	Restructuring Agreement dated May 27, 2011
APPENDIX D:	Final Special Assessment Allocation Report dated October 28, 2005 and amended on February 28, 2007, prepared by Rizzetta & Company, Inc. (“Series 2005 Assessment Report”)
APPENDIX E:	Supplemental Special Assessment Allocation Report dated May 24, 2011, prepared by Rizzetta & Company, Inc. (“Series 2011 Assessment Report”)

APPENDIX F: Form of Bond Counsel Opinion

INFORMATION MEMORANDUM

IN CONNECTION WITH
EXCHANGE OFFER, TENDER AND CONSENT SOLICITATION

\$26,365,000

River Hall Community Development District
(Lee County, Florida)

Capital Improvement Revenue Bonds, Series 2011

<u>Series</u>	<u>Amount</u>	<u>Maturity Date</u>	<u>CUSIP No.</u>
2011A-1	\$12,505,000	May 1, 2036	768247AB4†
2011A-2	\$13,860,000	May 1, 2036	768247AC2†

(the "Series 2011 Bonds")

CERTAIN STATEMENTS CONTAINED IN THIS INFORMATION MEMORANDUM DO NOT REFLECT HISTORICAL FACTS BUT ARE FORECASTS AND "FORWARD LOOKING STATEMENTS." NO ASSURANCE CAN BE GIVEN THAT THE FUTURE RESULTS DISCUSSED HEREIN WILL BE ACHIEVED, AND ACTUAL RESULTS MAY DIFFER MATERIALLY FROM THE FORECASTS DESCRIBED HEREIN. IN THIS RESPECT, WORDS SUCH AS "ESTIMATE," "PROJECT," "ANTICIPATE," "EXPECT," "INTEND," "FORECAST," "PLAN," "BELIEVE" AND SIMILAR EXPRESSIONS ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS. ALL PROJECTIONS, FORECASTS, ASSUMPTIONS AND OTHER FORWARD-LOOKING STATEMENTS ARE EXPRESSLY QUALIFIED IN THEIR ENTIRETY BY THIS AND OTHER CAUTIONARY STATEMENTS SET FORTH IN THIS INFORMATION MEMORANDUM.

All capitalized terms used in this Information Memorandum that are defined in the Indenture and not defined herein shall have the respective meanings set forth in the Indenture (see "Form of the Indenture," Appendix B hereto).

There follows in this Information Memorandum a brief description of the District, together with summaries of the terms of the Series 2011 Bonds, the Indenture and certain provisions of the Act. All references herein to the Indenture and the Act are qualified in their entirety by reference to such documents and all references to the Series 2011 Bonds are qualified by reference to the definitive forms thereof and the information with respect thereto contained in the Indenture.

† The District is not responsible for the use of the CUSIP numbers referenced herein nor is any representation made by the District as to their correctness; such CUSIP numbers are included solely for the convenience of the readers of this Information Memorandum.

BACKGROUND INFORMATION CONCERNING THE RIVER HALL COMMUNITY DEVELOPMENT DISTRICT

General

The District is a local unit of special purpose government which was established on April 21, 2005 by the Florida Land and Water Adjudicatory Commission (the "Establishment"). The boundaries of the District were subsequently modified on July 20, 2006 by Rule 42YY-1.002 (the "Expansion Ordinance" and with the Establishment, the "Ordinance"). The District, as expanded, encompasses approximately 1,958 acres and is wholly within the boundaries of Lee County, Florida.

The District is located to the east of Interstate 75 and to the south of State Road 80 in the City of Alva within Lee County, Florida.

Powers

The District is an independent unit of local government created by and established in accordance with the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act") and established by rule. The Act was enacted in 1980 to provide a uniform method for the establishment of independent districts to manage and finance basic community development services, including capital infrastructure required for community developments throughout the State of Florida. The Act provides legal authority for the District to manage the related financing, the acquisition, construction, operations and maintenance of the major infrastructure for community development pursuant to its charter.

Among other provisions, the Act gives the District's Board of Supervisors (the "Board" or "Governing Body") the authority to (a) plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate and maintain systems and facilities for: (i) water management and control for lands within the District and to connect any of such facilities with roads and bridges; (ii) water supply, sewer and waste-water management reclamation and re-use systems or any combination thereof and to construct and operate connecting intercept or outlet sewers and sewer mains and pipes and water mains, conduits, or pipelines in, along, and under any street, alley, highway, or other public place or ways, and to dispose of any effluent, residue, or other byproducts of such system or sewer system; (iii) District roads equal to or exceeding the specifications of the county in which such district roads are located and street lights; and (iv) with the consent of the local general-purpose government within the jurisdiction of which the power is to be exercised, parks and facilities for indoor and outdoor recreational uses and security; (b) borrow money and issue bonds of the District; (c) impose and foreclose special assessments liens as provided in the Act; and (d) exercise all other powers, necessary, convenient, incidental or proper in connection with any of the powers or duties of the District stated in the Act.

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

Board of Supervisors

The governing body of the District is the Board, which is composed of five Supervisors (the "Supervisors"), all of whom must be residents of the State of Florida. The current members of the Board and the expiration of the term of each Supervisor are set forth below:

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Grady Miars	Chairman	November 2014
Roger Postlethwaite	Vice Chairperson	November 2014
Carla Durand	Assistant Secretary	November 2014
Patti McDonald	Assistant Secretary	November 2012
Robert Nelson	Assistant Secretary	November 2012

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

Other officers of the District who are not Board Members are the following: F. Peter Williams, Secretary, William J. Rizzetta, Treasurer and Shawn Wildermuth, Assistant Treasurer.

The District Manager and Other Consultants

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

Outstanding Indebtedness

The only outstanding debt of the District is the 2005 Bonds. See "The 2005 Bonds" herein for a discussion of the 2005 Bonds.

BONDHOLDER RISKS

The Series 2011 Bonds are issued in exchange for, and to restructure, the 2005 Bonds which are in default. As with the 2005 Bonds, an investment in the Series 2011 Bonds involves significant risks, including the risk of nonpayment of interest or principal due to Owners and the risk that the Series 2011 Bonds will be redeemed or purchased prior to maturity. The Series 2011 Bonds are special limited obligations of the District, payable solely from the security pledged for the Series 2011 Bonds. The risk of nonpayment or that the Series 2011 Bonds will be redeemed or purchased prior to maturity is affected by the following factors, among others, which should be considered by investors prior to making a final decision regarding the exchange and tender, along with other information presented in this Information Memorandum, in judging the suitability of the exchange and tender.

The discussion of risk factors is not, and is not intended to be, exhaustive.

Maintenance of Tax-Exempt Status of the Series 2011 Bonds. The tax-exempt status of the Series 2011 Bonds is dependent on the continued compliance with certain covenants contained in the Indenture and in certain certificates to be delivered by the District on the date of issuance of the Series 2011 Bonds.

Changes in Tax Laws. Various proposals are mentioned from time to time by members of the Congress of the United States of America and others concerning reform of the internal revenue (tax) laws of the United States. Certain of these proposals, if implemented, could have the effect of diminishing the

value of obligations of states and their political subdivisions, such as the Series 2011 Bonds, by eliminating or changing the tax-exempt status of interest on certain of such bonds. Whether any of such proposals will ultimately become law, and if so, what effect such proposals could have upon the value of bonds such as the Series 2011 Bonds, cannot be predicted. The Indenture does not provide for any adjustment to the interest rates borne by the Series 2011 Bonds in the event of a change in the tax-exempt status of the Series 2011 Bonds.

Enforcement. The rights and remedies of the Trustee under the Indenture may be limited or affected by the laws of bankruptcy, insolvency, reorganization, receivership, moratorium, fraudulent conveyance and other similar laws affecting the rights of creditors generally, and by the effect of general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance or injunctive relief. The various legal opinions delivered concurrently with the issuance of the Series 2011 Bonds are qualified by the matters described in the previous sentence. See "Bankruptcy" below.

In addition to legal delays that could result from Bankruptcy, the ability of the District to enforce collection of delinquent Series 2011 Assessments will be dependent upon various factors, including the delay inherent in any judicial proceeding to enforce the lien of the Series 2011 Assessments and the value of the land which is the subject of such proceedings and which may be subject to sale. The ability of the Trustee to realize its rights upon a default of the District under the Indenture will depend upon the exercise of various remedies specified in the Indenture. Judicial action may be required in order for the Trustee to exercise the remedies. Judicial action is often subject to delay. In addition, under existing law, certain of the remedies specified in the Indenture may be subject to the discretion of the Court.

Bankruptcy. Bankruptcy proceedings by the District or the Substitute Landowner (as hereinafter defined) could have adverse effects on Owners of the Series 2011 Bonds, including (i) delay in the enforcement of their remedies, (ii) subordination of their claims to claims of those supplying goods and services to the District after initiation of bankruptcy proceedings and to the administrative expenses of bankruptcy proceedings, and (iii) imposition of a plan of reorganization reducing or delaying payment of the Series 2011 Bonds without their consent. The United States Bankruptcy Code contains provisions intended to ensure that, in any plan of reorganization not accepted by at least a majority of any class of creditors such as the owners of the Series 2011 Bonds, such class of creditors will have the benefit of their original claim or the indubitable equivalent thereof, although such plan may not provide for payment in full of the Series 2011 Bonds. The effect of these and other provisions of the United States Bankruptcy Code cannot be predicted and may be affected significantly by judicial interpretation.

Challenges to the Superiority of the Lien of the Series 2011 Assessments by Mortgage Lenders, if any, May Arise. Owners should note that several mortgage lenders have, in the past, raised legal challenges to the primacy of liens similar to those of the Series 2011 Assessments in relation to the liens of mortgages burdening the same real property. Except as agreed by the Substitute Landowner in the Restructuring Agreement and the Mortgage, there is no prohibition on the ability of a landowner to place a mortgage lien on property which is subject to the Series 2011 Assessments.

Certain Risks Associated with the District. Certain risks are inherent in an investment in obligations secured by assessments issued by a public authority or governmental body in the State.

Consultants May Not Perform. While the District represents that it has selected its District Manager, counsel, Consulting Engineers, Trustee and other professionals with the appropriate diligence and care, and while the foregoing parties have each represented in their respective areas as having the requisite experience to accurately and timely perform the duties assigned to them in such roles, the District does not guaranty any portion of the performance of these parties.

Restructure of Defaulted 2005 Bonds. The Series 2011 Bonds are issued in exchange for all outstanding 2005 Bonds. While the District and the Holders believe that the restructure will result in the timely payment of the principal of, and interest on, the Series 2011 Bonds, there can be no assurance that the property securing the Series 2011 Assessments will be sold at the projected times and for the projected amounts, including transfer of applicable Series 2011A-2 Assessments in the current real estate market.

Insufficient Reserve Account Balances. Some of the risk factors described herein, which, if materialized, would result in a delay in the collection of the Series 2011A-1 Assessments, may not affect the timely payment of debt service on the Series 2011A-1 Bonds because of the Series 2011A-1 Bonds Reserve Account established by the District for the Series 2011A-1 Bonds. The ability of the Series 2011A-1 Bonds Reserve Account to fund deficiencies caused by the delinquent Series 2011A-1 Assessments is dependent upon the amount, duration and frequency of such deficiencies. Moneys on deposit in the Series 2011A-1 Bonds Reserve Account may be invested in certain obligations permitted under the Indenture. Fluctuations in interest rates and other market factors could affect the amount of moneys available in the Series 2011A-1 Bonds Reserve Account to make up deficiencies.

Similarly, some of the risk factors described herein, which, if materialized, would result in a delay in the collection of the Series 2011A-2 Assessments, may not affect the timely payment of debt service on the Series 2011A-2 Bonds because of the Series 2011A-2 Bonds Reserve Account established by the District for the Series 2011A-2 Bonds. The ability of the Series 2011A-2 Bonds Reserve Account to fund deficiencies caused by the delinquent Series 2011A-2 Assessments is dependent upon the amount, duration and frequency of such deficiencies. Moneys on deposit in the Series 2011A-2 Bonds Reserve Account may be invested in certain obligations permitted under the Indenture. Fluctuations in interest rates and other market factors could affect the amount of moneys available in the Series 2011A-2 Bonds Reserve Account to make up deficiencies.

Insufficient Funds to Replenish Draws on Reserve Accounts. Owners of the Series 2011 Bonds should note that although the Indenture contains a Series 2011A-1 Bonds Reserve Account and a Series 2011A-2 Bonds Reserve Account for the Series 2011A-1 Bonds and the Series 2011A-2 Bonds, respectively, and a corresponding obligation on the part of the District to replenish the Series 2011A-1 Bonds Reserve Account and the Series 2011A-2 Bonds Reserve Account, if in fact the reserve accounts are accessed for any purpose, the District does not have a designated revenue source for replenishing the reserve accounts. Moreover, the District will not be permitted to re-assess real property burdened by the 2011 Assessments in order to provide for the replenishment of either of the accounts.

Development Risks. The principal security for the payment of the principal of and interest on the Series 2011 Bonds is the timely collection of the Series 2011 Assessments. The Series 2011 Assessments do not constitute a personal indebtedness of the owners of the land subject thereto, but are secured only by a lien on such land. The Substitute Landowner expects to sell the lots to home builders who, in turn, will proceed in the normal course of business to construct homes to sell to retail buyers to be served by the Series 2005 Project and the Capital Improvement Program. There is no assurance that the subsequent owners of this land will be able to pay the Series 2011 Assessments or that they will pay such Series 2011 Assessments even though financially able to do so. Beyond legal delays that could result from bankruptcy, the ability of the County to sell tax certificates will be dependent upon various factors, including the interest rate which can be earned by ownership of such certificates and the value of the land which is the subject of such certificates and which may be subject to sale at the demand of the certificate holder after two years.

The determination of the benefits to be received by the land within the District as a result of implementation and development of the Series 2005 Project and the Capital Improvement Program is not indicative of the realizable or market value of the land, which value may actually be higher or lower than the assessment of benefits. In other words, the value of the land could potentially be ultimately less than

the special assessment debt associated with it. To the extent that the realizable or market value of the land is lower than the assessment of benefits, the ability of the County to sell tax certificates relating to such land may be adversely affected. Such adverse effect could render the District unable to collect Delinquent Assessments, if any, and could negatively impact the ability of the District to make the full or punctual payment of Debt Service on the Series 2011 Bonds.

The payment of the annual Series 2011 Assessments and the ability of the Tax Collector to sell tax certificates or the District to foreclose the lien of the unpaid taxes, including the Series 2011 Assessments, may be limited by bankruptcy, insolvency, or other laws generally affecting creditors' rights or by the laws of the State relating to court foreclosure. Bankruptcy of a property owner will most likely also result in a delay by the Tax Collector or the District in prosecuting court foreclosure proceedings. Such delay would increase the likelihood of a delay or default in payment of and interest on the Series 2011 Bonds.

Because of the large number of properties within the State of Florida and especially within Lee County, Florida, that have been delinquent during the current real estate downturn in the payment of taxes, the sale of tax certificates has not been as certain as it has historically been. Accordingly, there can be no assurance that the sale of tax certificates will provide the revenues for the current payment of the Series 2011 Bonds and foreclosure may be the only option available.

Risks of Foreclosure. A delinquency in the payment of any installment of the Series 2011 Assessments under Florida law results in the acceleration of all current and future installments of the Series 2011 Assessments and the District is required by Florida law to immediately commence a foreclosure proceeding. In the event that it is required, or becomes, necessary to foreclose the lien of the Series 2011 Assessments, such foreclosure will take place in the same manner as the foreclosure of a real estate mortgage lien. While the District, at the direction of the Holders or at its own direction, can "credit bid" at the auction in an amount equal to the outstanding accelerated amount, with penalties and interest, any such foreclosure sale would extinguish the lien of the Series 2011 Assessments, leaving the District and the Holders with the sale of the property as the sole remedy for payment. In the event that the property did not achieve at least the credit bid at the public foreclosure sale, it can be expected that in such circumstances the ultimate sales price will be less than the outstanding balance of the applicable Series 2011 Assessments. There can be no assurance that there will be a source of funding to hold and maintain the property for an extended period (the property would remain subject to any delinquent lien for real estate taxes) nor that holding the property for an extended period will not have an adverse impact on the federal tax status of the interest on the Series 2011 Bonds.

Market and Economic Risks. The proposed sale of the Delinquent Lands (defined below) by the Substitute Landowner and subsequent development and sale of lots to retail end-users may be affected by a continuation of the current real estate market or further deterioration in the general economic conditions or in the real estate market and other factors beyond the control of the District or the Substitute Landowner. Although no delays are anticipated, failure to obtain any building permits or other approvals in a timely manner could delay or adversely affect the Development, which may negatively impact a landowner's desire or ability to sell and build on the Delinquent Lands as contemplated.

Assessment Collection. The willingness and/or ability of an owner of land within the District to pay the Series 2011 Assessments could be affected by the existence of other taxes and assessments imposed upon the land by the District or by Lee County, or by other public entities which may be affected by the value of the land subjected to such taxation and assessment. Under the Uniform Method, County, municipal, school, special district taxes and assessments, and voter-approved ad valorem taxes levied to pay principal of and interest on bonds, including the Series 2011 Assessments if collected pursuant to the Uniform Method, are payable at one time. As referenced above, if a taxpayer does not make complete payment, he or she cannot designate specific line items on the tax bill as deemed paid in full. In such case, the Tax Collector does not accept such partial payment. Therefore, any failure to pay any one line

item, whether or not it is the Series 2011 Assessments, would cause the Series 2011 Assessments not to be collected to that extent, which could have a significant adverse impact on the District's ability to make full or punctual payment of Debt Service on the Series 2011 Bonds. Public entities whose boundaries overlap those of the District, such as the County and the County school district, could, without the consent of the owners of the land within the District, impose additional taxes or assessments on the property within the District. The District has no control over the amount of taxes or assessments levied by governmental entities other than the District. The lien of the Series 2011 Assessments is, however, of equal dignity with the liens for State and County and certain taxes upon land. As referenced herein, the District may also impose additional assessments which could encumber the property burdened by the Series 2011 Assessments. Furthermore, the District is required to comply with statutory procedures in levying the Series 2011 Assessments. Failure of the District to follow these procedures could result in the Series 2011 Assessments not being levied or potential future challenges to such levy.

Lack of Secondary Market. There is no assurance that a liquid secondary market will exist for the Series 2011 Bonds in the event an Owner thereof determines to solicit purchasers of the Series 2011 Bonds. Even if a liquid secondary market exists, as with any marketable securities, there can be no assurance as to the price for which the Series 2011 Bonds may be sold. Such price may be lower than that paid by the current Owner of the Series 2011 Bonds, depending on the progress of the Development, existing real estate and financial market conditions and other factors.

SUMMARY OF THE RESTRUCTURING PLAN AND EXCHANGE

The following summary of the Restructuring Plan and Exchange is qualified in its entirety by reference to the full terms and conditions of the Indenture, the Restructuring Agreement, the Series 2005 Assessment Report and the Series 2011 Assessment Report, copies of which are attached to this Information Memorandum and are incorporated herein by reference.

Background

In October 2005, the District issued, sold and delivered its \$26,485,000 River Hall Community Development District Capital Improvement Revenue Bonds, Series 2005, in one series (the "2005 Bonds").

The 2005 Bonds were issued pursuant to the terms of a Trust Indenture entered into as of October 1, 2005, by and between the District and Wachovia Bank, National Association, and succeeded by U.S. Bank National Association (as successor in trust to Wachovia Bank, National Association), as Trustee (the "Trustee") (the "2005 Indenture"). The 2005 Indenture has been amended by that certain First Supplemental Trust Indenture, dated as of October 1, 2005 (the 2005 Indenture as amended by the First Supplemental Trust Indenture, the "Original Indenture"), and as amended and supplemented by that certain Second Supplemental Trust Indenture dated as of May 1, 2011 (the "Second Supplemental Indenture" and together with the Original Indenture, the "Indenture").

The District applied the proceeds of the 2005 Bonds to: (i) finance the cost of acquiring, constructing and equipping infrastructure improvements comprising a part of the Capital Improvement Program (as more particularly described in the Original Indenture, the "2005 Project"); (ii) pay certain costs associated with the issuance of the 2005 Bonds; (iii) make a deposit into the Series Reserve Account for the benefit of all of the 2005 Bonds; and (iv) pay a portion of the interest to become due on the 2005 Bonds. The 2005 Bonds as originally issued were payable from and secured by Assessments imposed, levied and collected by the District with respect to property specially benefited by the 2005 Project (the "2005 Assessments"), which, together with the 2005 Pledged Funds (as defined in the Original Indenture) comprise the 2005 Trust Estate under the Original Indenture, which constitutes a "Trust Estate" as defined in the Original Indenture.

A portion of the 2005 Assessments securing the 2005 Bonds imposed, levied and collected by the District on certain lands within the District specially benefited by the 2005 Project (the "Delinquent Lands") are delinquent (the "Delinquent 2005 Assessments"), and such Delinquent 2005 Assessments constitute a lien on Delinquent Lands in accordance with Florida law. The Delinquent Lands include platted and unplatted property upon which approximately 718 residential units and 45,000 square feet of non-residential are planned to be developed on which 2005 Assessments have been levied by the District to secure the 2005 Bonds. To the extent that a landowner within the District fails to pay all or a portion of the 2005 Assessments allocated to lands owned by it and such Assessments are not collected, the District is required by the Original Indenture and the Act to take certain remedial actions, including foreclosure of the lien on the Delinquent Lands.

RH Venture I, LLC, a Florida limited liability company, has purchased the Delinquent Lands from the previous delinquent owner through insolvency proceedings in the Federal Bankruptcy Court (the "Substitute Landowner"). Substitute Landowner acquired the Delinquent Lands subject to the lien of the 2005 Assessments.

The Substitute Landowner, the Trustee and the District entered into that certain Restructuring Agreement, dated as of May 27, 2011 (the "Restructuring Agreement"). In furtherance of the Restructuring Agreement, in compromise of the claims of the District against the Delinquent Lands for the Delinquent 2005 Assessments and in order to avoid foreclosure and extinguishment of the lien of the 2005 Assessments thereon, the Substitute Landowner has agreed to grant to the Trustee a non-recourse mortgage on the Delinquent Lands (the "Mortgage") and to deposit in escrow a Bill of Sale and Contingent Collateral Assignment, and resignations of members of District's Board of Supervisors who are appointed by Substitute Landowner with Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A., as Escrow Agent as security for the Substitute Landowner's payment of the Series 2011 Assessments. Further, the Substitute Landowner has agreed not to alienate or encumber the Delinquent Land, except as is permitted in the Restructuring Agreement and the Mortgage. Additionally, the Substitute Landowner has agreed to pay all delinquent and future ad valorem taxes and operations and maintenance assessments which are or may become owing on the Delinquent Lands and, to the extent necessary, has agreed to deficit fund the District's operations in the manner as is more particularly provided in the Restructuring Agreement.

The Owners have requested that the District (1) effect an exchange of all of the outstanding 2005 Bonds for Capital Improvement Revenue Bonds, Series 2011 (the "Series 2011 Bonds"), all as more fully described in the "Series 2011 Bonds" hereinafter, (2) amend related Bond Documents (including, but not limited to, entering into the Second Supplemental Indenture) (3) enter into the Restructuring Agreement, and (4) revise the 2005 Assessments levied on the Delinquent Lands to reflect the terms of the Series 2011A-2 Bonds. The District has agreed to issue the Series 2011 Bonds in exchange for a portion of the 2005 Bonds (the "Exchanged 2005 Bonds") and to amend related Bond Documents as reflected in Resolution 2011-07 of the Board, adopted on May 24, 2011.

The 2005 Bonds

THE 2005 BONDS AND ALL OBLIGATIONS OF THE DISTRICT UNDER OR WITH RESPECT TO THE 2005 BONDS, THE ORIGINAL INDENTURE AND ALL OTHER DOCUMENTS AND AGREEMENTS PERTAINING TO THE 2005 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT AND PAYABLE SOLELY AND ONLY OUT OF THE SECURITY PLEDGED THERETO UNDER THE ORIGINAL INDENTURE. NO RECOURSE MAY BE HAD AGAINST ANY PROPERTIES, FUNDS OR ASSETS OF THE DISTRICT (OTHER THAN THE SECURITY PLEDGED UNDER THE ORIGINAL INDENTURE) FOR THE PAYMENT OF ANY AMOUNTS OWING UNDER OR WITH RESPECT TO THE 2005 BONDS, THE ORIGINAL INDENTURE OR THE OTHER DOCUMENTS AND AGREEMENTS PERTAINING TO THE 2005 BONDS. NEITHER THE 2005 BONDS, THE ORIGINAL INDENTURE OR THE OTHER DOCUMENTS AND AGREEMENTS PERTAINING TO THE 2005 BONDS, NOR THE OBLIGATIONS OF THE DISTRICT UNDER OR WITH RESPECT THERETO, CONSTITUTE OR CREATE AN INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION. THE OWNERS OF THE 2005 BONDS HAVE NO RIGHT TO COMPEL THE PAYMENT OF ANY AMOUNTS OWING UNDER OR WITH RESPECT TO THE 2005 BONDS, THE ORIGINAL INDENTURE OR THE OTHER DOCUMENTS AND AGREEMENTS PERTAINING TO THE 2005 BONDS, OUT OF ANY TAX REVENUES, FUNDS OR OTHER ASSETS OF THE DISTRICT (OTHER THAN THE SECURITY SPECIFICALLY PLEDGED THERETO UNDER THE ORIGINAL INDENTURE).

The Owners of 100% of the 2005 Bonds have consented to amending the Original Indenture as set forth in the Second Supplemental Indenture; provided however, that the Second Supplemental Indenture shall not become effective unless and until the Trustee receives written consent of 100% of the 2005 Bondholders and to exchanging the Exchanged 2005 Bonds for the Series 2011 Bonds.

Upon the issuance of the Series 2011 Bonds, the Exchanged 2005 Bonds will be cancelled by the Trustee. The 2005 Trust Estate not pledged to the Series 2011 Bonds shall remain pledged to the 2005 Bonds that are not surrendered in exchange for Series 2011 Bonds (the "Retained 2005 Bonds").

Anything in the Indenture to the contrary notwithstanding, no default or Event of Default under the Original Indenture with respect to the Retained 2005 Bonds shall constitute a default or Event of Default with respect to the Series 2011 Bonds and the Owners of the Retained 2005 Bonds shall have only the right to collect the amounts of 2005 Assessments which remain pledged to the Retained 2005 Bonds, when and if paid to the District.

As supplemented by the Second Supplemental Indenture and the Original Indenture which is amended thereby, the Indenture has been in all respects ratified and confirmed, and the Second Supplemental Indenture shall be read, taken and construed as a part of the Original Indenture so that all of the rights, remedies, terms, conditions, covenants and agreements of the Original Indenture, except insofar as modified therein, shall apply and remain in full force and effect with respect to the Second Supplemental Indenture and to the Series 2011 Bonds issued thereunder.

The Series 2011 Bonds

NEITHER THE SERIES 2011 BONDS NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF THE STATE OF FLORIDA. THE SERIES 2011 BONDS AND THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE DISTRICT OR A LIEN UPON ANY PROPERTY OF THE DISTRICT OTHER THAN AS PROVIDED IN THE INDENTURE AUTHORIZING THE ISSUANCE

OF THE SERIES 2011 BONDS. NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE DISTRICT, THE COUNTY, THE STATE, OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY DEBT SERVICE OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE SERIES 2011 BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE SERIES 2011A-1 BONDS, SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY THE SERIES 2011A-1 PLEDGED REVENUES, TOGETHER WITH THE SERIES 2011A-1 PLEDGED FUNDS COMPRISING THE SERIES 2011A-1 TRUST ESTATE PLEDGED TO THE SERIES 2011A-1 BONDS, BUT NOT TO THE SERIES 2011A-2 BONDS, ALL AS PROVIDED IN THE SERIES 2011A-1 BONDS AND IN THE INDENTURE, AND, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE SERIES 2011A-2 BONDS, SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY THE SERIES 2011A-2 PLEDGED REVENUES, TOGETHER WITH THE SERIES 2011A-2 PLEDGED FUNDS COMPRISING THE SERIES 2011A-2 BONDS TRUST ESTATE PLEDGED TO SERIES 2011A-2 BONDS, BUT NOT THE SERIES 2011A-1 BONDS, ALL AS PROVIDED IN THE SERIES 2011A-2 BONDS AND IN THE INDENTURE.

General

The Series 2011 Bonds will be issued in two series designations (each a "Series") in the aggregate initial principal amount of \$26,365,000 to be designated "River Hall Community Development District Capital Improvement Revenue Bonds, Series 2011A-1" (the "Series 2011A-1 Bonds") in the initial principal amount of \$12,505,000.00 and "River Hall Community Development District Capital Improvement Revenue Bonds, Series 2011A-2" (the "Series 2011A-2 Bonds") in the initial maturity amount of \$13,860,000. The Series 2011 Bonds are issued in exchange for the Exchanged 2005 Bonds. The Series 2011A-1 Bonds and the Series 2011A-2 Bonds shall be substantially in the forms set forth in the Second Supplemental Indenture. Each Series 2011A-1 Bond shall bear the designation "Series 2011A-1R" and each Series 2011A-2 Bond shall bear the designation "Series 2011A-2" and shall be numbered consecutively from 1 upwards.

The Series 2011 Bonds shall be initially issued in the form of a separate single certificated fully registered Bond for each Series and maturity thereof. Upon initial issuance, the ownership of each such Series 2011 Bonds shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, the initial Bond Depository. Except as provided in the Second Supplemental Indenture, all of the Outstanding Series 2011 Bonds shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC.

With respect to Series 2011 Bonds registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation to any such Bond Participant or to any indirect Bond Participant. Without limiting the immediately preceding sentence, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Bond Participant with respect to any ownership interest in the Series 2011 Bonds, (ii) the delivery to any Bond Participant or any other person other than an Owner, as shown in the registration books kept by the Bond Registrar, of any notice with respect to the Series 2011 Bonds, including any notice of redemption, or (iii) the payment to any Bond Participant or any other person, other than an Owner, as shown in the registration books kept by the Bond Registrar, of any amount with respect to principal of, premium, if any, or interest on the Series 2011 Bonds. The District, the Trustee, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each Series 2011 Bond is registered in the registration books kept by the Bond Registrar as the absolute owner of such Series 2011 Bond for the purpose of payment of principal, premium and interest with respect to such Series 2011 Bond, for the purpose of giving notices of redemption and other matters

with respect to such Series 2011 Bond, for the purpose of registering transfers with respect to such Series 2011 Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, premium, if any, and interest on the Series 2011 Bonds only to or upon the order of the respective Owners, as shown in the registration books kept by the Bond Registrar, or their respective attorneys duly authorized in writing, as provided herein and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of, premium, if any, and interest on the Series 2011 Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the registration books kept by the Bond Registrar, shall receive a certificated Series 2011 Bond evidencing the obligation of the District to make payments of principal, premium, if any, and interest pursuant to the provisions hereof. Upon delivery by DTC to the District of written notice to the effect that DTC has determined to substitute a new Nominee in place of Cede & Co., and subject to the provisions in the Second Supplemental Indenture with respect to Record Dates, the words "Cede & Co." shall refer to such new Nominee of DTC; and upon receipt of such a notice the District shall promptly deliver a copy of the same to the Trustee, Bond Registrar and the Paying Agent.

Upon receipt by the Trustee or the District of written notice from DTC: (i) confirming that DTC has received written notice from the District to the effect that a continuation of the requirement that all of the Outstanding Series 2011 Bonds be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, is not in the best interest of the Beneficial Owners of the Series 2011 Bonds or (ii) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute Bond Depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, the Series 2011 Bonds shall no longer be restricted to being registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, but may be registered in whatever name or names Owners transferring or exchanging the Series 2011 Bonds shall designate, in accordance with the provisions of the Indenture.

Terms

Security. The Series 2011A-1 Bonds are equally and ratably secured by the Series 2011A-1 Trust Estate, without preference or priority of one Series 2011A-1 Bond over another. The Indenture does not authorize the issuance of any additional Bonds ranking on parity with the Series 2011A-1 Bonds as to the lien and pledge of the Series 2011A-1 Trust Estate. The Series 2011A-2 Bonds are separately secured by the Series 2011A-2 Bonds Trust Estate.

Denominations; Bond Registrar. The Series 2011A-1 Bonds shall be issued in denominations of \$5,000 or integral multiples thereof, which shall be an "Authorized Denomination." The term "Authorized Denomination" in the case of the Series 2011A-2 Bonds shall mean the Initial Principal Amount and thereafter, the Accreted Value thereof. The Series 2011 Bonds are transferable by the registered Owner hereof or his duly authorized attorney at the designated corporate trust office of the Bond Registrar in Orlando, Florida, upon surrender of the Bonds, accompanied by a duly executed instrument of transfer in form and with guaranty of signature reasonably satisfactory to the Bond Registrar, subject to such reasonable regulations as the District or the Bond Registrar may prescribe, and upon payment of any taxes or other governmental charges incident to such transfer. Upon any such transfer a new Bond or Bonds, in the same aggregate principal amount as the Bond or Bonds transferred, will be issued to the transferee. At the corporate trust office of the Bond Registrar in Orlando, Florida, in the manner and subject to the limitations and conditions provided in the Indenture and without cost, except for any tax or other governmental charge, Bonds may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of Authorized Denominations and bearing interest at the same rate or rates.

Dating; Interest Accrual

Each Series 2011A-1 Bond and each Series 2011A-2 Bond shall be dated their date of issuance and exchange for the 2005 Bonds. Each Series 2011A-1 Bond and each Series 2011A-2 Bond also shall bear its date of authentication. Each Series 2011A-1 Bond shall bear interest from the Interest Payment Date to which interest has been paid next preceding the date of its authentication, unless the date of its authentication: (i) is an Interest Payment Date to which interest on such Series 2011A-1 Bond has been paid, in which event such Series 2011A-1 Bond shall bear interest from its date of authentication; or (ii) is prior to the first Interest Payment Date for the Series 2011A-1 Bonds, in which event, such Series 2011A-1 Bond shall bear interest from its date. Interest on the Series 2011A-1 Bonds shall be due and payable on each May 1 and November 1, commencing November 1, 2011, and shall be computed on the basis of a 360-day year of twelve 30-day months.

Until the Conversion Date, interest on the Series 2011A-2 Bonds shall accrue on each Interest Accrual Date from the date of issuance in accordance with the definition of Accreted Value. From and after the Conversion Date, the Series 2011A-2 Bonds shall be Current Interest Bonds on which interest shall be due and payable on each Interest Payment Date, commencing May 1, 2014, and shall be computed on the basis of a 360-day year of twelve 30-day months.

Redemption and Other Provisions for Series 2011A-1 Bonds

The Series 2011A-1 Bonds shall be Current Interest Bonds, shall bear interest at the fixed interest rates per annum and shall mature in the amount and on the date set forth below:

<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity May 1</u>	<u>CUSIP</u>
\$12,505,000	5.45%	2036	768247AB4†

† The District is not responsible for the use of the CUSIP numbers referenced herein nor is any representation made by the District as to their correctness; such CUSIP numbers are included solely for the convenience of the readers of this Information Memorandum.

The Series 2011A-1 Bonds may, at the option of the District be called for redemption as a whole, at any time, or in part on any Interest Payment Date, on or after May 1, 2014 (less than all Series 2011A-1 Bonds to be selected pro rata within maturities), at the Redemption Prices (expressed as percentages of principal amount) set forth in the following table plus accrued interest from the most recent Interest Payment Date to the redemption date:

<u>Redemption Periods (Dates Inclusive)</u>	<u>Redemption Prices</u>
May 1, 2014 through April 30, 2015	101.0%
May 1, 2015 and thereafter	100.0%

The Series 2011A-1 Bonds are subject to mandatory redemption in part by the District pro rata within maturities prior to their scheduled maturity from moneys in the Series 2011A-1 Sinking Fund Account established under the Second Supplemental Indenture in satisfaction of applicable Amortization Installments (as defined in the Indenture) at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

<u>May 1</u> <u>of the Year</u>	<u>Amortization</u> <u>Installment</u>	<u>May 1</u> <u>of the Year</u>	<u>Amortization</u> <u>Installment</u>
2012	\$240,000	2024	\$465,000
2013	255,000	2025	490,000
2014	270,000	2026	515,000
2015	285,000	2027	545,000
2016	300,000	2028	575,000
2017	315,000	2029	610,000
2018	335,000	2030	645,000
2019	355,000	2031	680,000
2020	370,000	2032	715,000
2021	395,000	2033	755,000
2022	415,000	2034	800,000
2023	440,000	2035	845,000
		2036	890,000*

***Maturity**

As more particularly set forth in the Indenture, any Series 2011A-1 Bonds that are purchased by the District with amounts held to pay an Amortization Installment will be cancelled and the principal amount so purchased will be applied as a credit against the applicable Amortization Installment of Series 2011A-1 Bonds. Amortization Installments are also subject to recalculation, as provided in the Second Supplemental Indenture, as the result of the redemption of Series 2011A-1 Bonds so as to reamortize the remaining outstanding principal balance of the Series 2011A-1 Bonds as set forth in the Second Supplemental Indenture.

The Series 2011A-1 Bonds are subject to Extraordinary Mandatory Redemption prior to maturity in the manner determined by the Bond Registrar at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption, if and to the extent that any one or more of the following shall have occurred:

(a) in whole on any date or in part on each Redemption Date, from Prepayments deposited into the Series 2011A-1 Prepayment Subaccount of the 2011 Redemption Account; or

(b) in whole on any date moneys are on deposit in the Funds and Accounts under the Indenture and available therefore, in an amount sufficient to pay and redeem all of the Series 2011A-1 Bonds then Outstanding, including accrued interest thereon.

If less than all of the Series 2011A-1 Bonds shall be called for redemption, the particular Series 2011A-1 Bonds or portions of Series 2011A-1 Bonds to be redeemed shall be selected pro rata within maturities by the Registrar as provided in the Indenture.

Notice of each redemption of Series 2011A-1 Bonds is required to be mailed by the Bond Registrar, postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to the redemption date to each registered Owner of Series 2011A-1 Bonds to be redeemed at the address of such registered Owner recorded on the bond register maintained by the Bond Registrar. On the date designated for redemption, notice having been given and money for the payment of the Redemption Price being held by the Paying Agent, all as provided in the Indenture, the Series 2011A-1 Bonds or such portions thereof so called for redemption shall become and be due and payable at the Redemption Price provided for the

redemption of such Series 2011A-1 Bonds or such portions thereof on such date, interest on such Series 2011A-1 Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2011A-1 Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture and the Owners thereof shall have no rights in respect of such Series 2011A-1 Bonds or such portions thereof so called for redemption except to receive payments of the Redemption Price thereof so held by the Paying Agent. Further notice of redemption shall be given by the Bond Registrar to certain registered securities depositories and information services as set forth in the Indenture, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

The Owners of Series 2011A-1 Bonds shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Series 2011A-1 Bonds then Outstanding under the Indenture may become and may be declared due and payable before the stated maturities thereof, with the interest accrued thereon.

Redemption and Other Provisions for Series 2011A-2 Bonds

The Series 2011A-2 Bonds shall be Convertible Capital Appreciation Bonds, shall have an initial principal amount and Maturity Amount, and shall bear interest at the fixed interest rates per annum and shall mature in the amount and on the date set forth below:

<u>Initial Maturity Amount</u>	<u>Interest Rate</u>	<u>Maturity May 1</u>	<u>CUSIP</u>
\$13,860,000	5.45%	2036	768247AC2†

† The District is not responsible for the use of the CUSIP numbers referenced herein nor is any representation made by the District as to their correctness; such CUSIP numbers are included solely for the convenience of the readers of this Information Memorandum.

The Series 2011A-2 Bonds may, at the option of the District, be called for redemption as a whole, at any time, or in part on any Interest Payment Date, on or after May 1, 2014 (less than all Series 2011A-2 Bonds to be selected pro rata within maturities), at the Redemption Prices (expressed as percentages of principal amount) set forth in the following table plus accrued interest from the most recent Interest Payment Date to the redemption date:

<u>Redemption Periods (Dates Inclusive)</u>	<u>Redemption Prices</u>
May 1, 2014 through April 30, 2015	101.0%
May 1, 2015 and thereafter	100.0%

The Series 2011A-2 Bonds are subject to mandatory redemption in part by the District pro rata within maturities prior to their scheduled maturity from moneys in the Series 2011A-2 Sinking Fund Account established under the Second Supplemental Indenture in satisfaction of applicable Amortization Installments (as defined in the Indenture) at the Redemption Price of the Maturity Amount thereof,

without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

<u>May 1 of the Year</u>	<u>Amortization Installment</u>	<u>May 1 of the Year</u>	<u>Amortization Installment</u>
2014	\$310,000	2025	\$565,000
2015	330,000	2026	595,000
2016	345,000	2027	630,000
2017	365,000	2028	665,000
2018	385,000	2029	705,000
2019	410,000	2030	740,000
2020	430,000	2031	785,000
2021	455,000	2032	825,000
2022	480,000	2033	875,000
2023	505,000	2034	920,000
2024	535,000	2035	975,000
		2036	1,030,000*

* Maturity

As more particularly set forth in the Indenture, any Series 2011A-2 Bonds that are purchased by the District with amounts held to pay an Amortization Installment will be cancelled and the principal amount so purchased will be applied as a credit against the applicable Amortization Installment of Series 2011A-2 Bonds. Amortization Installments are also subject to recalculation, as provided in the Second Supplemental Indenture, as the result of the redemption of Series 2011A-2 Bonds so as to reamortize the remaining outstanding principal balance of the Series 2011A-2 Bonds as set forth in the Second Supplemental Indenture.

The Series 2011A-2 Bonds are subject to Extraordinary Mandatory Redemption prior to maturity in the manner determined by the Bond Registrar at the Redemption Price of an amount equal to the Maturity Amount, without premium, together with accrued interest, if any, to the date of redemption, if and to the extent that any one or more of the following shall have occurred:

(a) in whole on any date or in part on each Redemption Date, from Prepayments deposited into the Series 2011A-2 Prepayment Subaccount of the 2011 Redemption Account; or

(b) in whole on any date moneys are on deposit in the Funds and Accounts under the Indenture and available therefore, in an amount sufficient to pay and redeem all of the Series 2011A-2 Bonds then Outstanding, including accrued interest thereon.

If less than all of the Series 2011A-2 Bonds shall be called for redemption, the particular Series 2011A-2 Bonds or portions of Series 2011A-2 Bonds to be redeemed shall be selected pro rata within maturities by the Registrar as provided in the Indenture.

Notice of each redemption of Series 2011A-2 Bonds is required to be mailed by the Bond Registrar, postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to the redemption date to each registered Owner of Series 2011A-2 Bonds to be redeemed at the address of such registered Owner recorded on the bond register maintained by the Bond Registrar. On the date designated for redemption, notice having been given and money for the payment of the Redemption Price being held by the Paying Agent, all as provided in the Indenture, the Series 2011A-2 Bonds or such portions thereof so called for redemption shall become and be due and payable at the Redemption Price provided for the redemption of such Series 2011A-2 Bonds or such portions thereof on such date, interest on such Series

2011A-2 Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2011A-2 Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture and the Owners thereof shall have no rights in respect of such Series 2011A-2 Bonds or such portions thereof so called for redemption except to receive payments of the Redemption Price thereof so held by the Paying Agent. Further notice of redemption shall be given by the Bond Registrar to certain registered securities depositories and information services as set forth in the Indenture, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

The Owners of the Series 2011A-2 Bonds shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Series 2011A-2 Bonds then Outstanding under the Indenture may become and may be declared due and payable before the stated maturities thereof, with the interest accrued thereon.

Conditions Precedent to Issuance and Exchange of Series 2011 Bonds.

In addition to complying with the requirements set forth in the Indenture in connection with the issuance of the Series 2011 Bonds, all the Series 2011 Bonds shall be executed by the District for delivery to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the District or upon its order, but only upon the further receipt by the Trustee of:

- (a) Certified copy of Series 2011 Assessment Proceedings;
- (b) Executed copies of the Original Indenture, the Second Supplemental Indenture and the Restructuring Agreement;
- (c) A Bond Counsel opinion to the effect that: (i) the District has the right and power under the Act as amended to the date of such opinion to authorize, execute and deliver the Second Supplemental Indenture, and the Second Supplemental Indenture has been duly and lawfully authorized, executed and delivered by the District, is in full force and effect and is valid and binding upon the District and enforceable in accordance with its terms; (ii) the Original Indenture, as amended and supplemented by the Second Supplemental Indenture, creates the valid pledge which it purports to create of the Series 2011A-1 Trust Estate to secure the Series 2011A-1 Bonds and the Series 2011A-2 Trust Estate to secure the Series 2011A-2 Bonds, all in the manner and to the extent provided in the Original Indenture and the Second Supplemental Indenture; and (iii) the Series 2011 Bonds are valid, binding, special obligations of the District, enforceable in accordance with their terms and the terms of the Original Indenture and the Second Supplemental Indenture, subject to bankruptcy, insolvency or other laws affecting the rights of creditors generally and entitled to the benefits of the Act as amended to the date of such opinion, and the Series 2011 Bonds have been duly and validly authorized and issued in accordance with law and the Original Indenture and the Second Supplemental Indenture;
- (d) an opinion of District counsel as to the validity and enforceability of the Assessments, as modified, and as to the validity and enforceability of the Restructuring Agreement;
- (e) the supplemental tax certificate of the District;
- (f) evidence of the consent of the Owners of 100% of the outstanding 2005 Bonds to the Second Supplemental Indenture;

(g) such other documents, instruments, certificates and opinions as Bond Counsel shall reasonably require in order to render its opinion under (c) above.

TAX MATTERS

THE FEDERAL INCOME TAX DISCUSSION SET FORTH BELOW IS PROVIDED FOR INFORMATIONAL PURPOSES ONLY AND SHOULD NOT BE CONSTRUED AS A LEGAL OPINION OR AS TAX ADVICE TO BONDHOLDERS. BECAUSE INDIVIDUAL CIRCUMSTANCES MAY DIFFER, EACH BONDHOLDER IS URGED TO CONSULT ITS OWN TAX ADVISOR WITH RESPECT TO THE PARTICULAR TAX CONSEQUENCES OF AN EXCHANGE OF 2005 BONDS FOR SERIES 2011 BONDS PURSUANT TO THE OFFER, INCLUDING THE APPLICABILITY AND EFFECT OF FEDERAL, STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND THE EFFECT OF CHANGES IN THE TAX LAW.

General

Nabors, Giblin & Nickerson, P.A. is Bond Counsel for the Series 2011 Bonds. See Appendix F to this Information Memorandum for the form of opinion that Bond Counsel expects to deliver when the Series 2011 Bonds are delivered in exchange for the Exchanged 2005 Bonds ("Bond Counsel Opinion").

The Series 2011 Bonds

Federal Income Taxes. The Internal Revenue Code of 1986, as amended (the "Code"), imposes certain requirements that must be met subsequent to the issuance and delivery of the Series 2011 Bonds for interest thereon to be and remain excluded from gross income for Federal income tax purposes. Noncompliance with such requirements could cause the interest on the Series 2011 Bonds to be included in gross income for Federal income tax purposes retroactive to the date of issue of the Series 2011 Bonds. Pursuant to the Indenture and the Tax Certificate as to Arbitrage and the Provisions of Sections 103 and 141-150 of the Code (the "Tax Certificate"), the District has covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Series 2011 Bonds from gross income for Federal income tax purposes pursuant to Section 103 of the Code. In addition, the District has made certain representations and certifications in the Indenture and the Tax Certificate. Bond Counsel will not independently verify the accuracy of those representations and certifications.

In the opinion of Bond Counsel, under existing law and assuming compliance with the tax covenants described herein and the accuracy of the aforementioned representations and certifications, interest on the Series 2011 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. Bond Counsel is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code with respect to individuals and corporations; however, interest on the Series 2011 Bonds is included in the adjusted current earnings of corporations for purposes of computing the alternative minimum tax imposed on corporations.

Original Issue Discount. Bond Counsel is further of the opinion that the difference between the principal amount of the Series 2011A-2 Bonds and the initial offering price to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Series 2011A-2 Bonds was sold constitutes original issue discount which is excluded from gross income for federal income tax purposes to the same extent as interest on the Series 2011A-2 Bonds and the principal amount at maturity is treated as including all debt service payments on such Series 2011A-2 Bonds. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each Series 2011A-2 Bond and the basis of each Series 2011A-2 Bond acquired at such initial exchange price by an initial purchaser thereof will be increased by the amount of such accrued original issue discount. The accrual of original issue discount may be taken

into account as an increase in the amount of tax-exempt income for purposes of determining various other tax consequences of owning the Series 2011A-2 Bonds, even though there will not be a corresponding cash payment. Owners of the Series 2011A-2 Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Series 2011A-2 Bonds.

Ancillary Tax Matters, Matters Related to Exchange and Matters Related to Outstanding 2005 Bonds. Ownership of the Series 2011 Bonds may result in other federal tax consequences to certain taxpayers, including, without limitation, certain S corporations, foreign corporations with branches in the United States, property and casualty insurance companies, individuals receiving Social Security or Railroad Retirement benefits, and individuals seeking to claim the earned income credit. Ownership of the Series 2011 Bonds may also result in other federal tax consequences to taxpayers who may be deemed to have incurred or continued indebtedness to purchase or to carry the Series 2011 Bonds; for certain bonds issued during 2009 and 2011, the Recovery Act modifies the application of those rules as they apply to financial institutions. Prospective investors are advised to consult their own tax advisors regarding these rules.

Commencing with interest paid in 2006, interest paid on tax-exempt obligations such as the Series 2011 Bonds is subject to information reporting to the Internal Revenue Service (the "IRS") in a manner similar to interest paid on taxable obligations. In addition, interest on the Series 2011 Bonds may be subject to backup withholding if such interest is paid to a registered owner that (a) fails to provide certain identifying information (such as the registered owner's taxpayer identification number) in the manner required by the IRS, or (b) has been identified by the IRS as being subject to backup withholding.

Bond Counsel is not rendering any opinion as to any Federal tax matters other than those described in the Bond Counsel Opinion. Without limiting the generality of the foregoing, Bond Counsel is not rendering any opinion as to any collateral tax consequences of the exchange of Series 2005 Bonds for Series 2011 Bonds. Prospective investors, particularly those who may be subject to special rules described above, are advised to consult their own tax advisors regarding the federal tax consequences of the exchange or owning and disposing of the Series 2011 Bonds, as well as any tax consequences arising under the laws of any state or other taxing jurisdiction.

Changes in Law and Post Issuance Events. Legislative or administrative actions and court decisions, at either the federal or state level, could have an adverse impact on the potential benefits of the exclusion from gross income of the interest on the Series 2011 Bonds for federal or state income tax purposes, and thus on the value or marketability of the Series 2011 Bonds. This could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), repeal of the exclusion of the interest on the Series 2011 Bonds from gross income for federal or state income tax purposes, or otherwise. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the federal or state income tax treatment of holders of the Series 2011 Bonds may occur. Prior to the exchange each Owner of 2005 Bonds should consult their own tax advisors regarding such matters.

Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance and delivery of the Series 2011 Bonds may affect the tax status of interest on the Series 2011 Bonds.

AGREEMENT BY THE STATE

Under the Act, the State pledges to the holders of any bonds issued thereunder, including the Series 2011 Bonds, that it will not limit or alter the rights of the District to own, acquire, construct, reconstruct, improve, maintain, operate or furnish the projects subject to the Act or to levy and collect taxes, assessments, rentals, rates, fees, and other charges provided for in the Act and to fulfill the terms of

any agreement made with the holders of such bonds and that it will not in any way impair the rights or remedies of such holders.

LEGALITY FOR INVESTMENT

The Act provides that the Series 2011 Bonds are legal investments for savings banks, banks, trust companies, executors, administrators, trustees, guardians, and other fiduciaries, and for any board, body, agency, instrumentality, county, municipality or other political subdivision of the State, and constitute securities which may be deposited by banks or trust companies as security for deposits of state, county, municipal or other public funds, or by insurance companies as required for voluntary statutory deposits.

SUITABILITY FOR INVESTMENT

In accordance with applicable provisions of State law, the Series 2011 Bonds may be sold by the District only to "accredited investors" as such term is used in the rules of the Florida Department of Financial Services. Such limitation regarding this Exchange does not denote restrictions on transfer in any secondary market for the Series 2011 Bonds. No dealer, broker, salesman or other person has been authorized by the District to give any information or make any representations, other than those contained in this Information Memorandum.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Rule 69W-400.003, Rules of Government Securities under Section 517.051(1), Florida Statutes, promulgated by the Florida Department of Financial Services, Office of Financial Regulation, Division of Securities and Finance ("Rule 69W-400.003"), requires the District to disclose each and every default as to the payment of principal and interest with respect to obligations issued or guaranteed by the District after December 31, 1975. Rule 69W-400.003 further provides, however, that if the District, in good faith, believes that such disclosures would not be considered material by a reasonable investor, such disclosures may be omitted. The District is currently in default as to principal and interest on its 2005 Bonds.

CONTINUING DISCLOSURE

Contemporaneously with the delivery of the Series 2011 Bonds, the District will execute and deliver a Continuing Disclosure Agreement in order to comply with the requirements of Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934. The District covenants and agrees to comply with the provisions of such Continuing Disclosure Agreement; however, as set forth therein, failure to so comply shall not constitute an Event of Default under the Indenture, but, instead shall be enforceable by mandamus, injunction or any other means of specific performance.

The Act requires that financial statements of the District be audited by an independent certified public accountant at least once a year. The current fiscal year of the District commences October 1 and the audited financial statements are generally expected to be available within 180 days after the end of each fiscal year. As of the publishing of this Information Memorandum, the District's audited financial statements for its 2011 fiscal year were not yet available. The Act further provides that the District's budget for the following fiscal year be adopted prior to October 1 of each year. Meetings of the District's Board of Supervisors are open to the public, and a proposed schedule of meetings for the year is published at the beginning of each fiscal year. The District's budget for the following fiscal year is adopted prior to October 1 of each year. Notice of meetings and the agenda for meetings are published prior to each meeting.

ENFORCEABILITY OF REMEDIES

The remedies available to the Beneficial Owners of the Series 2011 Bonds upon an event of default under the Indenture are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including the federal bankruptcy code, the remedies specified by the Indenture and the Series 2011 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2011 Bonds will be qualified, as to the enforceability of the remedies provided in the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery.

LITIGATION

On June 10, 2009, the prior owner of the Delinquent Lands, together with the corporate parent and various affiliates of the prior owner, filed a voluntary petition under Chapter 11 of the U.S. Bankruptcy Code in the United States Bankruptcy Court for the Western District of Texas (the "Bankruptcy Court"), Case No. 09-11507 (the "Bankruptcy Proceeding"). Substitute Landowner's acquisition of the Delinquent Lands were subject to the approval of the Bankruptcy Court, which approval was granted by the Bankruptcy Court by its order dated June 16, 2010, and amended on September 28, 2010 (the "Sale Order"). Pursuant to the Sale Order, "any and all liens imposed by the River Hall CDD (the "CDD Liens") shall continue to represent first priority governmental liens *pari passu* with ad valorem taxes and superior to any other liens." The Sale Order further provided, that "[a]ny and all past due, current, and future CDD Liens imposed by the River Hall CDD shall not be affected in any way by ... this Order." Other than the Bankruptcy Proceeding, which is now completed, there is no other litigation now pending restraining or enjoining the issuance, sale, execution or delivery of the Series 2011 Bonds, or in any way contesting or affecting the validity of the Series 2011 Bonds or any proceedings of the District taken with respect to the issuance or sale thereof, or the pledge or application of any moneys or security provided for the payment of the Series 2011 Bonds, or the existence or powers of the District.

NO RATINGS

NO APPLICATION HAS BEEN MADE TO ANY RATING AGENCY FOR A RATING. THE BONDS ARE SUBJECT TO A SIGNIFICANT DEGREE OF RISK. THE BONDS ARE SUITABLE FOR INVESTMENT CONSIDERATION ONLY FOR THOSE PURCHASERS WHO ARE SOPHISTICATED AND EXPERIENCED IN THE FIELD OF

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HIGH YIELD CAPITAL IMPROVEMENT REVENUE BONDS. SEE "THE SERIES 2011 BONDS" AND "BONDHOLDERS' RISK" HEREIN.

CONSULTANTS

The District has retained Rizzetta & Company, Inc. to serve as District Manager to the District (the "District Manager"). Rizzetta & Company, Inc. has also served as methodology consultant to the District with respect to the issuance and delivery of the Series 2011 Bonds and has prepared "APPENDIX E – SUPPLEMENTAL SPECIAL ASSESSMENT ALLOCATION REPORT" and its inclusion in this Information Memorandum is used with the permission of the District Manager in its capacity as methodology consultant.

LEGAL MATTERS

Certain legal matters related to the exchange of the Series 2011 Bonds are subject to the approval of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel. Certain legal matters will be passed upon for the District by its counsel, Hopping Green & Sams, P.A., Tallahassee, Florida. Certain legal matters will be passed upon for the Trustee by its counsel, Greenberg Traurig, P.A., Orlando, Florida.

RIVER HALL COMMUNITY
DEVELOPMENT DISTRICT



Graydon E. Miars, Chairman

May 24, 2011

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PROCEDURE FOR ACCEPTING THE OFFER AND TENDERING EXISTING BONDS

Existing Bonds Held Through Brokerage or Bank Accounts

All of the 2005 Bonds are held in book-entry only form at the DTC, in the name of Cede & Co., for the Bondholders. To consent to the entry into the Second Supplemental Indenture and the resulting issuance of the Series 2011 Bonds in exchange for the Exchanged 2005 Bonds (the "Exchange Offer"), a Bondholder must tender the portion of the 2005 Bonds it holds representing the Exchanged 2005 Bonds pursuant to the procedure for book-entry tender set forth below (and notice of such book-entry tender must be received by the Tender Agent) on or prior to the Expiration Date.

To tender Exchanged 2005 Bonds, the beneficial owner thereof must instruct such firm to tender the Exchanged 2005 Bonds on the beneficial owner's behalf. A Letter of Instructions form is included in the Materials for the benefit of customers whose brokers do not accept verbal instructions. Most brokers or banks do not need written instructions. Instead, they will act on verbal instructions from their customers. Bondholders should consult their brokers or banks to determine the preferred procedure. Each tender must include the CUSIP numbers of the Exchanged 2005 Bonds being tendered; and the outstanding principal amount of the Exchanged 2005 Bonds being tendered.

Book-entry Delivery Procedures for Brokers and Banks

The Exchange/Tender Agent will update DTC through the Deposit Withdrawal Asset Confirmation system ("DWAC") with respect to the Exchanged 2005 Bonds at DTC for purposes of this Exchange Offer promptly after the date of this Information Memorandum. DTC Participants may make book-entry withdrawals of the Exchanged 2005 Bonds by confirming such Bonds into the Exchange/Tender Agent's DWAC account in accordance with DTC's procedures for such withdrawals. The confirmation of a book-entry transfer into the Exchange/Tender Agent's DWAC account at DTC as described above is referred to herein as a "Book-Entry Confirmation."

DTC Participants may make book-entry deposits of the Exchanged 2011 Bonds by confirming such Bonds into the Exchange/Tender Agent's DWAC account in accordance with DTC's procedures for such deposits. The confirmation of a book-entry transfer into the Exchange/Tender Agent's DWAC account at DTC as describe above is referred to herein as a "Book-Entry Confirmation."

The withdrawal of the Exchanged 2005 Bonds, is at the election and risk of the person tendering Exchanged 2005 Bonds. Neither the District, the Bond Trustee nor the Exchange/Tender Agent shall be responsible for the communication of tenders by Bondholders to their custodians or to DTC participants or DTC.

Revocation of Exchange Rights

Tenders of Exchanged 2005 Bonds made pursuant to this Exchange Offer may be revoked at any time prior to the Expiration Date by written notice of such revocation of exchange specifying the CUSIP number, the name(s) of the tendering Bondholder, identifying the Exchanged 2005 Bonds to which such revocation relates and the amount of the revocation.

ATTACHMENT

“J”

TO JUNE 22, 2020 MEMORANDUM

RESTRUCTURING AGREEMENT

THIS RESTRUCTURING AGREEMENT (the "Restructuring Agreement") is made and entered into this 20th day of May, 2011 (the "Effective Date"), by and among the **RIVER HALL COMMUNITY DEVELOPMENT DISTRICT**, a special purpose unit of local government organized and existing under the laws of the State of Florida (the "District"), **RH VENTURE I, LLC**, a Florida limited liability company (the "Developer"), **U.S. BANK, NATIONAL ASSOCIATION** (successor in trust to Wachovia Bank, National Association), a national banking association duly organized, existing and authorized under the laws of the United States of America (the "Trustee"), as Trustee under the Indenture (as defined below), and **STEARNS WEAVER MILLER WEISSLER ALHADEFF AND SITTERSON, P.A.** (the "Escrow Agent").

RECITALS

WHEREAS, the District was established in Lee County, Florida (the "County") by Chapter 42YY-1 of the Florida Administrative Code, as implemented by the Florida Land and Water Adjudicatory Commission, 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 water management systems, water and sewer facilities, roadways, landscaping, recreation and other infrastructure within or without the boundaries of the District; and

WHEREAS, pursuant to the authority of the Act, the District issued its \$26,485,000 River Hall Community Development District Capital Improvement Revenue Bonds, Series 2005 (the "Bonds") for purposes of financing various infrastructure improvements within the District, (the "Project"), as more particularly described in the Master Trust Indenture dated as of October 1, 2005 (the "Master Indenture") as supplemented by the First Supplemental Trust Indenture dated as of the same date (the "First Supplemental Trust Indenture," and together with the Master Indenture, the "Indenture") each between the District and the Trustee; and

WHEREAS, in order to secure the Bonds, the District levied non-ad valorem special assessments against certain real property within the District that is benefited by the District's Project (the "2005 Assessments");

WHEREAS, a portion of the 2005 Assessments securing the Bonds were imposed and levied by the District on lands within the District specially benefited by the Project (the "Delinquent Land") which are now delinquent (the "Delinquent 2005 Assessments"), and such Delinquent 2005 Assessments constitute a lien on the Delinquent Land, in accordance with Florida law (the Delinquent Land being described particularly in Exhibit "A" to the Mortgage (as defined below), and such description being incorporated herein by this reference); and

WHEREAS, the Delinquent Land includes approximately 581 platted lots, and certain other unplatted land attributable to 137 future lots, and an unplatted tract attributable to 45,000 square feet of non-residential entitlements (each such residential lot and the unplatted non-residential tract being referred to as a "Delinquent Lot" and collectively the "Delinquent Lots") on which 2005 Assessments have been levied by the District to secure the Bonds; and

WHEREAS, to the extent that a landowner within the District fails to pay all or a portion of the 2005 Assessments allocated to lands owned by it and such Assessments are not collected and enforced pursuant to the Uniform Method of Collection provided for in Chapter 197, *Florida Statutes*, the District is required by the Indenture and the Act to take certain remedial actions, including foreclosure of the lien on property; and

WHEREAS, the Developer has purchased the Delinquent Lots from the previous delinquent owner through insolvency proceedings in the Federal Bankruptcy Court, and, in compromise of the claims of the District against the Delinquent Land for the Delinquent 2005 Assessments, and in order to avoid foreclosure and extinguishment of the lien of the 2005 Assessments thereon, the Developer as the new landowner of the Delinquent Land and the Owners (as defined below), constituting one hundred percent (100%) ownership of the 2005 Bonds, have mutually agreed to the terms of a restructuring of the Bonds and the 2005 Assessments on the Delinquent Lots and the obligations set forth in this Restructuring Agreement (collectively, the "Restructuring");

WHEREAS, the terms of the Restructuring contemplate the reissuance of a portion of the 2005 Bonds as Convertible Capital Appreciation Bonds which would begin paying interest and principal on May 1, 2014 (the "Series A-2 Bonds") and the re-levying of 2005 Assessments on the Delinquent Lots in order to provide for payment of the debt service schedule for the Series A-2 Bonds (the "Restructured 2011 Assessments"); and

WHEREAS, contemporaneous with the execution of this Restructuring Agreement, and in consideration of the duties and obligations of the Developer delineated in this Restructuring Agreement, the District and the Trustee have executed a Second Supplemental Trust Indenture (the "Second Supplemental Indenture") to secure the issuance of the Series A-2 Bonds with a pledge of the Restructured 2011 Assessments; and

WHEREAS, the District has previously taken all actions necessary to contingently levy the Restructured 2011 Assessments, with the consent of all of the owners of the Bonds (the "Owners"), and in consideration of the execution of the Second Supplemental Indenture and the duties and obligations of the Developer delineated herein;

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

1. INCORPORATION OF RECITALS. The Parties agree that the recitals stated above are true and correct and are incorporated by reference herein as a material part of this Restructuring Agreement.

2. **DEFINITIONS.** Capitalized terms not otherwise defined herein shall have the meanings assigned in the Master Indenture and Second Supplemental Indenture. When used herein, the term "Parties" shall mean the Trustee, Developer, and District, collectively. "Party" shall mean, as the context requires, the Trustee, the Developer, or the District in its individual capacity. If a capitalized term is used differently in the Master Indenture and Second Supplemental Indenture, the meaning if such term as defined in the Second Supplemental Indenture shall control.

3. **RESTRUCTURING.** Subject in all respects to the final terms of the Second Supplemental Indenture securing the Series A-2 Bonds and the levy of the Restructured 2011 Assessments per the terms in the Final Assessment Allocation Report prepared by Rizzetta & Company and last revised on May 17, 2011 (the "Final Assessment Report"), it is the intent of the Parties herein to (1) levy the Restructured 2011 Assessments, (2) issue the Series A-2 Bonds, and (3) have the Series A-2 Bonds secured by the Restructured 2011 Assessments consistent with the terms of the Second Supplemental Indenture.

4. **DEVELOPER OBLIGATIONS AND ENFORCEMENT.** In order to induce the District and Trustee to execute the Second Supplemental Indenture and levy the 2011 Restructured Assessments, Developer covenants and agrees as follows.

(a) **Mortgage.** Contemporaneous with the execution of this Restructuring Agreement and the Second Supplemental Indenture, Developer shall grant to the Trustee a non-recourse mortgage on the Delinquent Lots (the "Mortgage") running with the Delinquent Lots, securing the payment and performance by Developer of its obligations for a period of six (6) years from the date of execution of this Restructuring Agreement ("Mortgage Period"), said Mortgage being substantially in the form attached hereto and incorporated herein as Exhibit "A." Owners shall bear all costs associated with preparation and recording of the Mortgage. As delineated in the Mortgage, if Developer or Developer's lender provides the Trustee with notice that such lender is providing construction financing for a "spec-home," then the Trustee, as Mortgagee under the Mortgage, shall execute such documents or instruments as are reasonably required to subordinate the Mortgage to any construction and/or development financing of the Developer associated with such "spec-home" construction (the "Spec-Home Subordination"). Such Spec-Home Subordination shall only be provided with respect to individual Delinquent Lots on which spec-homes to be financed with such construction financing will be built, and with respect to a maximum of twelve individual (12) Delinquent Lots in total at any single point in time. In addition, for any Delinquent Lot that the Developer has pre-sold to a third party buyer, the contract for which requires construction of a home prior to closing the sale of the Delinquent Lot, the Trustee, as Mortgagee under the Mortgage will execute such documents or instruments as are reasonably required to subordinate the Mortgage to any construction and/or development financing associated with such construction (the "Pre-Sold Subordination"). There shall be no maximum limit as to the number of Pre-Sold Subordinations.

(b) **Bill of Sale in Escrow.** Contemporaneous with the execution of this Restructuring Agreement and the Second Supplemental Indenture, the Developer will deliver to the Escrow Agent, for the benefit of the Owners, an executed Bill of Sale and

Contingent Collateral Assignment with respect to certain assets associated with the Delinquent Lots which are in the nature of personal property rights which do not run with the land (if any) (the "Bill of Sale"). Such Bill of Sale shall be executed in favor of a blank transferee/assignee. The Bill of Sale shall be in the form attached hereto as Exhibit "B".

(c) Resignations in Escrow. Contemporaneous with the execution of this Restructuring Agreement and the Second Supplemental Indenture, the Developer will deliver to the Escrow Agent, for the benefit of the Owners, the resignation of Developer appointed officers and members of the Board of Directors of the River Hall Country Club Homeowners' Association, Inc., Hampton Lakes at River Hall Homeowners' Association, Inc., and Town Hall Amenities Center Association, Inc., and Developer appointed members of the Board of Supervisors for the River Hall Community Development District (collectively, the "Resignations").

(d) Mortgage Release and Satisfaction of Mortgage. Contemporaneous with the execution of this Restructuring Agreement and the Mortgage, the Trustee shall execute and deliver to the Escrow Agent separate releases of the Mortgage and Bill of Sale (each a "Partial Release"), in recordable form, for each of the 581 platted Delinquent Lots, and each of the unplatted tracts attributable to the 137 unplatted Delinquent Lots and the Delinquent Lot to which the 45,000 square foot of non-residential entitlements is attributable. Thereafter, upon platting of all or any portion of the Delinquent Land attributable to the unplatted Delinquent Lots, the Trustee shall execute and deliver to the Escrow Agent additional Partial Releases for each of such additional platted Delinquent Lots. Upon the sale of one or more Delinquent Lots (unit) to a builder, consumer or other third party, and provided that the Developer is current in its obligations under this Restructuring Agreement and no uncured Event of Default then exists hereunder, the Escrow Agent shall be authorized, and is hereby directed to provide to Developer the Partial Release applicable to the Delinquent Lot(s) (unit) being sold in advance of the closing thereof, so that the same will be available for such closing. On the first day following the expiration of the Mortgage Period, provided Developer has performed its obligations under this Restructuring Agreement and has paid all assessments then due (subject to the notice and cure period in Section 8 of this Restructuring Agreement), if any land remains subject to the Mortgage, the Trustee shall record a satisfaction of the Mortgage (and the Bill of Sale if requested by the Developer) in the Public Records of Lee County, Florida. Owners shall bear all costs associated with preparing and recording a satisfaction of the Mortgage, and shall deliver evidence of same to Developer within thirty (30) days of the expiration of the Mortgage Period.

(d) Release of Documents from Escrow. The Bill of Sale and Resignations (collectively, the "Escrow Documents") will be held in escrow by the Escrow Agent during the Mortgage Period. If the Trustee forecloses the Mortgage, within 24 hours of Escrow Agent's receipt of written certification from the Trustee that the title to the Delinquent Lots has vested in the Owners (or the Owner's designee) (the "Foreclosure Certification"), the Escrow Agent shall deliver written notice to Developer of Escrow Agent's receipt of the Foreclosure Certification, Escrow Agent shall release the Escrow

Documents to the Trustee, and the Trustee shall thereafter have the unilateral right, subject to direction from the Owners, to (i) insert the desired transferee/assignee into the executed Bill of Sale, which shall have the effect of making such Bill of Sale effective immediately; and (ii) subject to and consistent with the requirements of Florida Statutes and the adopted regulations governing the River Hall Community Development District and River Hall Country Club Homeowners' Association, Inc., and the recorded Declaration of Covenants and Restrictions and bylaws thereof, accept the Resignations and appoint replacement officers and members in such timing, order and manner as the Trustee shall deem appropriate, in its sole discretion. If the Developer fully and timely performs its other obligations under this Restructuring Agreement (taking into account any applicable notice and cure period under Section 8 of this Restructuring Agreement), the Escrow Agent shall on the first day following the expiration of the Mortgage Period release the Escrow Documents to the Developer, and upon such delivery this Restructuring Agreement shall be deemed terminated.

(c) No Additional Encumbrances/Limitations on Transfer. Developer covenants and agrees that it will not encumber the Delinquent Lots with mortgages, mechanics liens, recorded or unrecorded leases, other possessory interests or agreements, or any other kind of material lien or monetary encumbrance, except as permitted by this Restructuring Agreement (collectively, the "Material Encumbrances") from and after the date of this Restructuring Agreement through November 1, 2013 (the "Accretion Period") without the prior written consent of the Trustee, in the Trustee's reasonable discretion. For purposes hereof, "Material Encumbrances" shall not include any non-monetary encumbrances which may be required, incurred or granted in connection with the normal and customary development of the Delinquent Lots, including, but not limited to, any utility and other easements or plats normal and customary for development purposes (collectively, "Permitted Encumbrances"), which Permitted Encumbrances shall not require the written consent of the Trustee. In addition, Developer further covenants and agrees that without the prior consent of Trustee, in the Trustee's reasonable discretion, (i) Developer will not transfer the Delinquent Lots except for the sale and conveyance of any or all of the Delinquent Lots pursuant to one or more arms length transactions with third party buyers that are not an Affiliate (as defined below) of Developer (any such transaction being hereinafter referred to as an "Approved Sale", and any such buyer an "Approved Third Party Buyer"), and (ii) Developer will not transfer any of the personal property rights delineated in the Bill of Sale to any third party during the Accretion Period, except in connection with an Approved Sale of the Delinquent Lots to an Approved Third Party Buyer(s). The sale of the Delinquent Lots by the Developer pursuant to an Approved Sale to an Approved Third Party Buyer shall be at the Developer's sole and absolute discretion, without the consent of the Trustee or the Owners of such Approved Sale, and the Developer shall have rights to all proceeds in connection with such Approved Sale of the Delinquent Lots. Any Material Encumbrances on the Delinquent Lots or transfer or sale other than an Approved Sale shall be considered a material breach under the terms of this Restructuring Agreement, giving the Trustee the unilateral right, subject to Owner direction, to commence foreclosure of the Mortgage. To the extent that individual, Delinquent Lots are to be sold to Approved Third Party Buyers pursuant to an Approved Sale(s), any such Delinquent

Lots sold pursuant to an Approved Sale(s) will be released from the provisions of this Restructuring Agreement. Notwithstanding anything to the contrary in the foregoing, the Developer may transfer one or more Delinquent Lots to any entity affiliated with, controlled by, or under common control with the Developer ("Affiliate") without having to obtain the prior written consent of the Trustee, provided that (x) such Affiliate re-establishes the escrow pursuant to subsections 4(b) and 4(c) above contemporaneously with such transfer and conveyance to such Affiliate by delivering a duly executed replacement Bill of Sale to the Escrow Agent for the Delinquent Lots transferred to such Affiliate to be held pursuant to the terms of this Restructuring Agreement, and (y) such Affiliate expressly assumes the duties and obligations of Developer under this Restructuring Agreement as to the Delinquent Lot so conveyed pursuant to written instrument acceptable to the Trustee. Any assumption by any Affiliate shall not relieve or release the Developer from its obligations pursuant to this Restructuring Agreement.

(f) Impact Fee Credits and Rights. The Developer covenants and agrees that to the extent it has received any impact fee credits from the former developer of the property as a result of the purchase of the Delinquent Lots through insolvency proceedings in the Federal Bankruptcy Court, it will apply and use such impact fee credits first before proceeding to request an assignment of any additional impact fee credits from the District. In addition, the Developer further covenants and agrees that it will not request from the District a bulk assignment of any remaining impact fee credits, but only amounts which may be reasonably necessary, from time to time, in order to effect an Approved Sale of the Delinquent Lots to Approved Third Party Buyers as described in this Restructuring Agreement. The District agrees that if the Developer is in default (after passage of any applicable notice and cure period provided herein) under the terms of this Restructuring Agreement at any time, it shall not advance or assign any additional impact fee credits to the Developer without first obtaining the written consent of the Trustee. The District also acknowledges and agrees that the provisions of this Section 4(f) shall not apply to any impact fee credits accrued and earned by the Developer after the date of this Restructuring Agreement.

(g) Payment of Delinquent Taxes and Operation and Maintenance Assessments Generally. The Parties acknowledge and agree that there remain certain delinquent ad-valorem taxes ("Delinquent Taxes"), and operation and maintenance assessments ("Delinquent O&M"), in addition to the Delinquent 2005 Assessments, with respect to the Delinquent Lots that would have been due and payable during calendar years 2008 and 2009. As a general matter, the Parties acknowledge and agree that any Delinquent Taxes and Delinquent O&M for all Delinquent Lots shall be paid by the Developer as more specifically described in this subsection (g). With respect to any Delinquent 2005 Assessments, the Parties acknowledge and agree that such Delinquent 2005 Assessments have been included as part of the Restructured 2011 Assessments that will secure the issuance of the District's Series A-2 Bonds, and therefore upon execution of this Restructuring Agreement and issuance of the Series A-2 Bonds, and except as set forth below, there shall be no further obligation of any party to separately pay the Delinquent 2005 Assessments.

(i) Payment of Tax Bills to Satisfy Delinquent Taxes and Delinquent Operation and Maintenance Assessments for "On Roll" Delinquent Lots. Developer acknowledges and agrees that there are a certain number of Delinquent Lots with Delinquent Taxes, Delinquent O&M, and Delinquent 2005 Assessments that were previously collected together on the County Tax Collector's 2008 and 2009 ad-valorem tax Bills (the "On Roll Lots"), and that such tax bills continue unpaid and outstanding (collectively, the "On Roll Tax Bills"). The Developer covenants and agrees that it will pay all Delinquent O&M and Delinquent Taxes that were billed in 2008 and 2009 on the On Roll Tax Bills for the On Roll Lots before July 29, 2011, with respect to Delinquent O&M and Delinquent Taxes billed on the 2008 On Roll Tax Bill, and June 30, 2012, with respect to Delinquent Taxes and Delinquent O&M billed on the 2009 On Roll Tax Bill (collectively referred to as the "Drop Dead Dates"). When On Roll Tax Bills are paid, the Developer will provide evidence to the District and the Trustee that it has paid such On Roll Tax Bills as quickly as possible, but in no event later than ten (10) days after payment has been tendered to the County Tax Collector. Such evidence of payment shall include, at a minimum, the total amount of the On Roll Tax Bill paid, the folio number or parcel ID number identifying the real property subject to the On Roll Tax Bill, and evidence of cash or cash equivalents having been tendered to the County Tax Collector. The Parties acknowledge and agree that the County Tax Collector may require full payment of the On Roll Tax Bills, including amounts attributable to Delinquent 2005 Assessments that were previously being collected on the On Roll Tax Bills. The Parties covenant and agree that any moneys representing Delinquent 2005 Assessments that are paid to the Tax Collector, when On Roll Tax Bills are satisfied, and subsequently returned by the Tax Collector to the District, will be refunded back to the Developer as they are received by the District, so long as at the time of such refunding, no event of default (which remains uncured after passage of any applicable notice and cure period) exists under the terms of this Restructuring Agreement. If there shall exist an event of default (which remains uncured after passage of any applicable notice and cure period), any money received by the District as described above shall be tendered immediately by the District to the Trustee.

(ii) Redemption of Tax Certificates to Satisfy Delinquent Taxes and Delinquent Operation and Maintenance Assessments for "On Roll" Delinquent Lots. Developer acknowledges and agrees that with respect to On Roll Tax Bills that remain outstanding on the On Roll Lots, tax certificates ("On Roll Tax Certificates") may have already been issued or may be issued by the County Tax Collector in the future with respect to all or a portion of such On Roll Lots. If On Roll Tax Certificates were issued or are issued in the future (because On Roll Tax Bills remain unpaid for a period of time before the Drop Dead Dates, and the County Tax Collector holds a tax certificate sale), Developer covenants and agrees to redeem such On Roll Tax Certificates before the applicable Drop Dead Dates, inclusive of all amounts necessary for such redemptions, such as additional fees, penalties, and accrued interest. When On Roll Tax Certificates

are redeemed, the Developer will provide evidence to the District and the Trustee that it has paid such On Roll Tax Certificates as quickly as possible, but in no event later than ten (10) days after payment has been tendered to the third party in possession of the On Roll Tax Certificate. Such evidence of payment shall include, at a minimum, the total amount of the On Roll Tax Certificate paid, the folio number or parcel ID number identifying the real property subject to the On Roll Tax Certificate, and evidence of cash or cash equivalents having been tendered to the third party in possession of the On Roll Tax Certificate. The Parties covenant and agree that after evidence of the redemption of On Roll Tax Certificates has been tendered by the Developer as described above, and assuming that no event of default (which remains uncured after passage of any applicable notice and cure period) exists under the terms of this Restructuring Agreement, the District will timely refund to the Developer any Delinquent 2005 Assessment amounts that were originally tendered to the District when On Roll Tax Certificates were purchased by a third party. If there shall exist an event of default (which remains uncured after passage of any applicable notice and cure period), any money received by the District from the sale of On Roll Tax Certificates shall be tendered immediately by the District to the Trustee.

(iii) Payment of Tax Bills to Satisfy Delinquent Taxes for "Off Roll" Delinquent Lots; Payment of Delinquent O&M for Off Roll Lots. Developer acknowledges and agrees that the balance of Delinquent Lots, other than On Roll Lots, represent Delinquent Lots as to which Delinquent O&M and Delinquent 2005 Assessments for calendar years 2008 and 2009 were historically collected off the ad-valorem tax roll, and directly by the District (the "Off Roll Lots"). Further, such Off Roll Lots continue to have Delinquent Taxes that were collected on the County Tax Collector's 2008 and 2009 ad-valorem tax bills, and such tax bills remain unpaid and outstanding (collectively, the "Off Roll Tax Bills"). The Developer covenants and agrees that it will pay all Delinquent Taxes that were billed in 2008 and 2009 on the Off Roll Tax Bills for the Off Roll Lots before the applicable Drop Dead Dates. When Off Roll Tax Bills are paid, the Developer will provide evidence to the Trustee that it has paid such Off Roll Tax Bills as quickly as possible, but in no event later than ten (10) days after payment has been tendered to the District. Such evidence of payment shall include, at a minimum, the total amount of the Off Roll Tax Bill paid, the folio number or parcel ID number identifying the real property subject to the Off Roll Tax Bill, and evidence of cash or cash equivalents having been tendered to the District. Further, contemporaneous with the closing on the Series A-2 Bonds, the Developer will pay the District all amounts of Delinquent O&M incurred during 2008 and 2009 for the Off Roll Lots.

(iv) Redemption of Tax Certificates to Satisfy Delinquent Taxes for "Off Roll" Delinquent Lots. Developer acknowledges and agrees that with respect to Off Roll Tax Bills that remain outstanding on the Off Roll Lots, tax certificates ("Off Roll Tax Certificates") may have already been issued or may be issued by the County Tax Collector in the future with respect to all or a portion of such Off

Roll Lots. If Off Roll Tax Certificates were issued or are issued in the future (because Off Roll Tax Bills remain unpaid for a period of time before the applicable Drop Dead Dates, and the County Tax Collector holds a Tax Certificate Sale), Developer covenants and agrees to redeem such Off Roll Tax Certificates before the applicable Drop Dead Dates, inclusive of all amounts necessary for such redemptions, such as additional fees, penalties, and accrued interest. When Off Roll Tax Certificates are redeemed, the Developer will provide evidence to the District and the Trustee that it has paid such Off Roll Tax Certificates as quickly as possible, but in no event later than ten (10) days after payment has been tendered to the third party in possession of any Off Roll Tax Certificate. Such evidence of payment shall include, at a minimum, the total amount of the Off Roll Tax Certificate paid, the folio number or parcel ID number identifying the real property subject to the Off Roll Tax Certificate, and evidence of cash or cash equivalents having been tendered to the third party in possession of the Off Roll Tax Certificate.

(v) Prohibition on Purchase of Tax Certificates. Developer covenants and agrees that neither itself nor any Affiliate shall purchase any On Roll Tax Certificates, when and if issued by the County Tax Collector.

(vi) Breach. Developer's failure to timely satisfy (through redemption or payment) all Delinquent Taxes and Delinquent O&M as described in Parts (i)-(iv) of this subsection (g), and (b) obey the prohibition on the purchase of tax certificates as described in part (v) of this subsection shall constitute a material breach of and default under this Restructuring Agreement.

(h) Prospective Payment of Ad-Valorem Tax Bills and Operation and Maintenance Bills and payment of 2010 Tax Bill and Operation and Maintenance Bills. Developer covenants and agrees to pay all ad-valorem tax bills on the Delinquent Lots prospectively, beginning with tax bills issued in November, 2011, before such tax bills become delinquent ("Prospective Tax Bills"). Further, Developer covenants and agrees to pay all operation and maintenance assessments/bills with respect to the Delinquent Lots as they come due ("Prospective O&M"). In addition, Developer covenants and agrees to pay (1) all ad-valorem tax bills on the Delinquent Lots which were issued in November 2010, and (2) all outstanding operation and maintenance assessments of the District with respect to the Delinquent Lots which have accrued to date during the current fiscal year of the District, each within ten (10) days of the execution of this Restructuring Agreement. Developer shall deliver proof of same to the Trustee once payments as required under this Section have been made. Developer's failure to pay any of the payments as described in this Section shall constitute a material breach of and default under this Restructuring Agreement.

(i) District Deficit Funding. To the extent that, because of the timing of the payment of the On Roll Tax Bills and/or redemption of the On Roll Tax Certificates by the Drop Dead Dates, the District experiences financial difficulty as a result of its inability to collect Delinquent O&M for the On Roll Lots, Developer covenants and

agrees to deficit fund the District and later seek reimbursement from the District once On Roll Tax Bills and/or On Roll Tax Certificates are paid and/or redeemed.

5. **PAYMENT OF FEES.** The Developer agrees that all legal fees incurred by the Trustee, Bondholders, Developer and the District with respect to drafting, reviewing and/or negotiating this Restructuring Agreement, the Second Supplemental Indenture, and Final Special Assessment Allocation Report shall be paid by the Developer at the time of closing on the Bonds, and such funds shall be deposited by the Trustee into the Costs of Issuance account created under the Indenture for the Bonds for payment by the Trustee to the appropriate parties.

6. **ESCROW AGENT.** In addition to the rights and provisions contained in Section 4(d) of this Restructuring Agreement, the Escrow Agent may act in reliance upon any writing or instrument or signature which it in good faith believes to be genuine, may assume that any person purporting to give any writing, notice, advice or instruction in connection with the provisions hereof has been duly authorized to do so. Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner and execution or validity of any instrument deposited in this escrow nor as to the identity, authority or right of any persons executing the same; and its duties hereunder shall be limited to the safekeeping of the Escrow Documents and for the disposition of same in accordance with this Restructuring Agreement. Escrow Agent hereby executes this Restructuring Agreement for the sole and exclusive purpose of evidencing its agreement to the provisions of Section 4 and this Section 6.

7. **CROSS DEFAULT.** Any default by the Developer under this Restructuring Agreement or any failure by the Developer to comply with the obligations and covenants herein shall constitute an Event of Default under the terms of the Master Indenture.

8. **DEFAULT AND REMEDIES.** The District and/or Trustee may terminate this Restructuring Agreement by providing written notice of termination in the event the Developer fails to timely satisfy any of its obligations hereunder (such termination being a "Default Termination"). For purposes of this section, "timely satisfy" shall mean that the Developer has not satisfied the obligation in question within ten (10) calendar days of receipt of the written request by the Trustee to do so. Upon a Default Termination of this Restructuring Agreement, the Trustee shall have the ability to exercise all remedies delineated in Section 4 of this Restructuring Agreement, or alternatively, the District may commence a foreclosure action against the Delinquent Lots (which then remain subject to the Mortgage) and otherwise take any actions to collect and enforce any delinquent Restructured 2011 Special Assessments as provided in the Indenture, the Act or other applicable provisions of law. If requested by the Trustee, the District agrees to pursue with expediency foreclosure of any delinquent Restructured 2011 Special Assessments immediately following the Default Termination of this Restructuring Agreement. If a foreclosure action is instituted in lieu of the remedies described in Section 4, herein, Developer hereby waives any rights, arguments, claims or defenses of the Developer in such foreclosure proceedings and hereby agrees in no way to prevent, hinder, or delay the District from taking such action; provided, however, that the Developer does not waive any defenses arising as a result of acts or omissions by the Trustee, the District and the Owners in connection with this Restructuring Agreement. This Section is meant to be construed as broadly as possible to entitle the aggrieved party to all equitable remedies, including specific performance, and all remedies available at law.

9. **ENFORCEMENT OF AGREEMENT.** In the event that any party is required to enforce this Restructuring Agreement by court proceedings or otherwise, then the 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. The Parties covenant and agree that this Section shall survive termination of this Restructuring Agreement.

10. **AGREEMENT.** This Restructuring Agreement, together with the agreements and instruments provided for or incorporated by reference herein, shall constitute the final and complete expression of the agreement and understanding between the Parties relating to the subject matter of this Restructuring Agreement and shall supersede all other agreements and understandings between the Parties, oral or otherwise.

11. **AMENDMENTS.** Amendments to and waivers of the provisions contained in this Restructuring Agreement may be made only by an instrument in writing which is executed by both of the parties hereto.

12. **AUTHORIZATION.** Each Party hereby represents and warrants to the other Parties that the execution of this Restructuring Agreement has been duly authorized by the appropriate body or official of all parties hereto, each Party has complied with all the requirements of law, and each Party has full power and authority to comply with the terms and provisions of this Restructuring Agreement.

13. **THIRD PARTY BENEFICIARY.** The Parties hereto agree and acknowledge that the Trustee is executing this Restructuring Agreement with the consent of, and at the direction of, the Owners and that the Owners, although not signatories hereto, are nonetheless third party beneficiaries of this Restructuring Agreement. Other than the obligations set forth in Sections 6 and 18 herein and the obligation to act with reasonableness with regard to all requests by the Developer and District in connection with this Restructuring Agreement and the Series A-2 Bonds, the Parties understand that the Owners do not have any obligations under the terms of this Restructuring Agreement.

14. **CONTROLLING LAW.** This Restructuring Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida.

15. **EFFECTIVE DATE.** This Restructuring Agreement shall be effective as of the day and year first written above.

16. **FURTHER ASSURANCES.** Each Party shall also execute and deliver to the other Party, upon request, any organizational documents, evidence of good standing, certificates, resolutions, written actions and consents required to establish the authority of the representatives executing this Restructuring Agreement and the documents attached as Exhibits to this Restructuring Agreement, and any other documents reasonably necessary to close the transactions contemplated by this Restructuring Agreement. The Parties covenant and agree that this Section shall survive termination of this Restructuring Agreement.

17. **RELEASE.** The Developer hereby releases and forever discharges the Trustee, the Owners, any of their respective trustees, agents, employees, directors, officers, counsel and advisors (collectively, the "Released Group") of and from any and all damage, loss, claims, demands, liabilities, obligations, actions and causes of action whatsoever which the Developer may now have or claim to have against any such member of the Released Group as of the date of this Restructuring Agreement, concerning, arising out of, founded upon or in any way relating to the subject matter of this Restructuring Agreement, the Bonds, the Supplemental Indenture, and the Restructured 2011 Assessments including, but not limited to, all such loss or damage of any kind heretofore sustained. The provisions of this release shall not apply to the performance of any obligations of Trustee and Owners under the terms of this Restructuring Agreement.

18. **GOOD FAITH AND FAIR DEALING.** The Parties, and the Trustee for the Owners, agree to exercise good faith and fair dealing in the performance of their respective contractual obligations hereunder. Each Party, and the Trustee on behalf of the Owners, has fully participated in the negotiation and preparation of this Restructuring Agreement and each Party, and the Trustee on behalf of the Owners, has received independent legal advice from its attorney with respect to the advisability of executing this Restructuring Agreement and the meaning of the provisions hereof. The provisions of this Restructuring Agreement shall be construed as to the fair meaning and not for or against any Party based upon any attribution of such Party as the sole source of the language in question.

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

20. **LIMITATIONS ON GOVERNMENTAL LIABILITY.** Nothing in this Restructuring 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 Restructuring 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.

21. **COUNTERPARTS.** This Restructuring 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 page intentionally left blank.]

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

Witnesses:

Linda M. Landwirth
Print Name: LINDA M. LANDWIRTH

Laura Z Gersbeck
Print Name: Laura Z Gersbeck

Witnesses:

Print Name: _____

Print Name: _____

Witnesses:

Print Name: _____

Print Name: _____

Witnesses:

Dona Adkins Wright
Print Name: Dona Adkins Wright

Tiva M. Fischer
Print Name: Tiva M. Fischer

RH VENTURE I, LLC
a Florida Limited Liability Company

By: [Signature]
Print Name: ROSE F POSTLETHWAITE
Its: VICE PRESIDENT

**RIVER HALL COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Print Name: _____
Its: _____

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

By: _____
Print Name: _____
Its: _____

**STEARNS WEAVER MILLER
WEISSLER ALHADEFF AND
SITTERSON, P.A.**

By: [Signature]
Print Name: Leyla K Fletcher
Its: Shareholder

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

Witnesses:

Linda M. Handwirth
Print Name: LINDA M. HANDWIRTH

Laura Z Gersbeck
Print Name: Laura Z Gersbeck

Witnesses:

Kari L. Hardwick
Print Name: Kari L. Hardwick

Molly A. Syrett
Print Name: Molly A. Syrett

Witnesses:

Print Name: _____

Print Name: _____

Witnesses:

Print Name: _____

Print Name: _____

RH VENTURE I, LLC
a Florida Limited Liability Company

By: [Signature]
Print Name: ROGER F. POSTLETHWAITE
Its: VICE PRESIDENT

**RIVER HALL COMMUNITY
DEVELOPMENT DISTRICT**

By: [Signature]
Print Name: Gregg M. [unclear]
Its: Chairman

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

By: _____
Print Name: _____
Its: _____

**STEARNS WEAVER MILLER
WEISSLER ALHADEFF AND
SITTERSON, P.A.**

By: [Signature]
Print Name: Laura K. Fletcher
Its: Shareholder

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

Witnesses:

Linda M. Landowirth
Print Name: LINDA M. LANDOWIRTH

Laura Z Gersbeck
Print Name: Laura Z Gersbeck

Witnesses:

Print Name: _____

Print Name: _____

Witnesses:

Shirley M. Adams
Print Name: Shirley M. Adams
Gillian Jon
Print Name: Gillian Jon

Witnesses:

Print Name: _____

Print Name: _____

RH VENTURE I, LLC
a Florida Limited Liability Company

By: [Signature]
Print Name: ROGER F POSTLETHWAITE
Its: VICE PRESIDENT

**RIVER HALL COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Print Name: _____
Its: _____

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

By: [Signature]
Print Name: Janice Entsminger
Its: Vice President

**STEARNS WEAVER MILLER
WESSLER ALHADEFF AND
SITTERSON, P.A.**

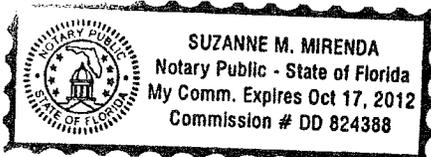
By: [Signature]
Print Name: Lyle K Fletcher
Its: Shareholder

STATE OF FLORIDA)
)SS:
ORANGE COUNTY)

The undersigned, a Notary Public in and for the said County in the State aforesaid, does hereby certify that Janice Entsminger, Vice President of **U.S. BANK NATIONAL ASSOCIATION** known to me to be the same person whose name is subscribed to the foregoing instrument appeared before me this day in person and acknowledged that she, being thereunto duly authorized, signed, sealed with the seal of said Association, and delivered the said instrument as the free and voluntary act of said Association and as her own free and voluntary act, for the uses and purposes therein set forth.

WITNESS my hand and affixed my notarial seal in the County and State last aforesaid this 26th day of May, 2011.

NOTARY PUBLIC, STATE OF FLORIDA



Suzanne Mirenda

(Name of Notary Public, Print, Stamp or Type as Commissioned)

- Personally known to me, or
- Produced identification:

(Type of Identification Produced)

- DID take an oath, or
- DID NOT take an oath

STATE OF FLORIDA)
)SS:
DUNAL COUNTY)

The undersigned, a Notary Public in and for the said County in the State aforesaid, does hereby certify that [X] known to me to be the same person whose name is subscribed to the foregoing instrument as [V.P.] of RH VENTURE I, LLC a Florida limited liability company, appeared before me this day in person and acknowledged that he, being thereunto duly authorized, signed, sealed with the seal of said Developer, and delivered the said instrument as the free and voluntary act of said Developer and as his own free and voluntary act, for the uses and purposes therein set forth.

WITNESS my hand and affixed my notarial seal in the County and State last aforesaid this 20th day of May, 2011.



NOTARY PUBLIC, STATE OF FLORIDA

Linda M Landwirth
(Name of Notary Public, Print, Stamp or
Type as Commissioned)

- Personally known to me, or
 Produced identification:

(Type of Identification Produced)

- DID take an oath, or
 DID NOT take an oath.

STATE OF FLORIDA)
)SS:
[] COUNTY Lee)

The undersigned, a Notary Public in and for the said County in the State aforesaid, does hereby certify that Grady Niess, Chairman of **RIVER HALL COMMUNITY DEVELOPMENT DISTRICT** (the "District") known to me to be the same person whose name is subscribed to the foregoing instrument appeared before me this day in person and acknowledged that he, being thereunto duly authorized, signed, sealed with the seal of said District, and delivered the said instrument as the free and voluntary act of said District and as his own free and voluntary act, for the uses and purposes therein set forth.

WITNESS my hand and affixed my notarial seal in the County and State last aforesaid this 25th day of May, 2011.

NOTARY PUBLIC, STATE OF FLORIDA

Molly A. Syvret

(Name of Notary Public, Print, Stamp or Type as Commissioned)

- Personally known to me, or
 Produced identification:

(Type of Identification Produced)

NOTARY PUBLIC-STATE OF FLORIDA
Molly A. Syvret
Commission # DD904470
Expires: JULY 05, 2013
BONDED THRU ATLANTIC BONDING CO., INC.

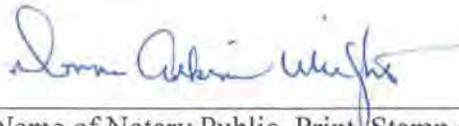
- DID take an oath, or
 DID NOT take an oath

STATE OF FLORIDA)
)SS:
Hillsborough COUNTY)

The undersigned, a Notary Public in and for the said County in the State aforesaid, does hereby certify that [], Leigh Fletcher of **STEARNS WEAVER MILLER WEISSLER ALHADEFF AND SITTERSON, P.A.** known to me to be the same person whose name is subscribed to the foregoing instrument appeared before me this day in person and acknowledged that she, being thereunto duly authorized, signed, sealed with the seal of said professional association, and delivered the said instrument as the free and voluntary act of said professional association and as her own free and voluntary act, for the uses and purposes therein set forth.

WITNESS my hand and affixed my notarial seal in the County and State last aforesaid this 24th day of May, 2011.

NOTARY PUBLIC, STATE OF FLORIDA



(Name of Notary Public, Print, Stamp or Type as Commissioned)

- Personally known to me, or
- Produced identification:

NOTARY PUBLIC-STATE OF FLORIDA
Donna Adkins-Wright
Commission #DD730647
Expires: OCT. 31, 2011
BONDED THRU ATLANTIC BONDING CO., INC.

(Type of Identification Produced)

- DID take an oath, or
- DID NOT take an oath

Exhibit A

Form of Mortgage

Return to:

Greenberg Traurig
450 South Orange Avenue, 6th Floor
Orlando, Florida
32801

SPACE ABOVE THIS LINE FOR PROCESSING DATA

SPACE ABOVE THIS LINE FOR PROCESSING DATA

MORTGAGE

THIS INDENTURE, made as of the 20th day of May, 2011, by and between RH VENTURE I, LLC, a Florida limited liability company ("the Mortgagor"), and U.S. Bank National Association, a national banking association duly organized and existing under the laws of the United States of America, as trustee for the \$26,630,000 River Hall Community Development District Capital Improvement Revenue Bonds, Series 2011, whose address is 225 E. Robinson Street, Suite 250, Orlando, Florida 32801 ("Mortgagee"). (Wherever used herein the terms "Mortgagor" and "Mortgagee" shall include singular and plural, all the parties to this instrument and the heirs, legal representatives, and assigns of individuals, and the successors and assigns of trustees, partnerships, corporations, limited liability companies community development districts and other governmental entities or entities other than natural persons.)

WHEREAS, Mortgagor entered into a certain Restructuring Agreement ("Restructuring Agreement") by and between Mortgagor, Mortgagee, the River Hall Community Development District, a local unit of special-purpose government established pursuant to Chapter 190, Florida Statutes, and located in Lee County, Florida ("District"); and

WHEREAS, this Mortgage is granted to secure the performance, by Mortgagor, of certain obligations, in accordance with the terms of said Restructuring Agreement; and

NOW, THEREFORE, for and in consideration of the premises and the Restructuring Agreement and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged by Mortgagor, and in order to secure the performance of the obligations as set forth in the Restructuring Agreement, Mortgagor by these presents does hereby grant,

bargain, sell, alien, remise, convey and confirm unto Mortgagee, the land (the "Land") situate in Lee County, Florida, more particularly described as follows:

See **Exhibit "A"** attached hereto and incorporated herein by reference.

TO HAVE AND TO HOLD the Land, together with the rights, privileges and appurtenances thereunto belonging, unto Mortgagee, forever.

And Mortgagor covenants that Mortgagor is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Land; that Mortgagor warrants and will defend generally the title to the Land against all claims and demands; and that the Land is free and clear of all encumbrances except assessments of the District, and certain taxes for various years, and thereafter, and agreements, easements, restrictions, reservations, covenants and conditions of public record.

Conditioned, however, that if Mortgagor shall satisfy, or cause to be satisfied, in the manner set forth the Restructuring Agreement, the obligations set forth therein and shall perform, comply with and abide by each and every of the agreements, stipulations, conditions and covenants herein, and provided that no Event of Default exists under the terms of the Restructuring Agreement, then this Mortgage and the estate hereby created, shall cease and be null and void on May 20, 2016.

This Mortgage shall secure not only the aforesaid obligations, but also the unpaid balance of advances made by Mortgagee with respect to the Land to cure any Event of Default hereunder or to protect the lien of this Mortgage.

So long as no default shall exist in the payment or performance of the obligations under the Restructuring Agreement (which remains uncured after the passage of any applicable notice and cure period), the Mortgagor shall have the right to develop, plat, sell and convey, all or any part of the Land.

Care of Property. Mortgagor shall maintain the Land in good condition and repair and shall not permit, commit or suffer any material waste, impairment or deterioration thereto.

Subordination & Prior Mortgages. **THIS IS A FIRST MORTGAGE.** If (i) Mortgagor, or Mortgagor's lender, provides the Mortgagee with notice that such lender is providing construction financing for a "spec-home," then the Mortgagee shall execute such documents or instruments as are reasonably required to subordinate this Mortgage to any construction and/or development financing of Mortgagor associated with such "spec-home" construction (the "Spec-Home Subordination"). Such Spec-Home Subordination shall only be provided with respect to individual lots on which spec-homes to be financed with such construction financing will be built, and with respect to a maximum of twelve individual (12) lots in total that are subject to this Mortgage at any single point in time. In addition, if (ii) Mortgagor, or Mortgagor's lender provides the Mortgagee with notice that such lender is providing construction financing for construction of a home pursuant to a contract between Mortgagor and a third party buyer, which contract requires construction of a home prior to closing of the sale of the lot to such third party

buyer, then Mortgagee shall execute such documents or instruments as are reasonably required to subordinate this Mortgage to any construction and/or development financing associated with such "pre-sold" construction (the "Pre-Sold Subordination"). Such Pre-Sold Subordination shall only be provided with respect to individual lots on which pre-sold homes to be financed with such construction financing will be built. With regard to any mortgage on the Land to which this Mortgage may be subordinate (the "Prior Mortgage"), Mortgagor hereby agrees: (1) to pay promptly, when due, all installments of principal and interest and all other sums and charges made payable by the Prior Mortgage; (2) to promptly perform and observe all of the terms, covenants and conditions required to be performed and observed by Mortgagor under the Prior Mortgage, within the period provided in said Prior Mortgage; (3) to promptly notify Mortgagee of any default, or notice claiming any event of default by Mortgagor in the performance or observance of any term, covenant or condition to be performed or observed by Mortgagor under any such Prior Mortgage; (4) to limit the use of the proceeds thereof for development of the Land as to which this Mortgage has been subordinated to the Prior Mortgage; and (5) agrees that the Prior Mortgage may not be cross-defaulted or cross-collateralized with any other loan.

Default. The occurrence of any one of the following events shall constitute an "Event of Default" under this Mortgage:

- (i) The Mortgagor shall fail to honor an obligation(s) of the Restructuring Agreement following notice from the District or the Trustee, and Mortgagor has not timely satisfied or cured the obligation(s) within a ten (10) day cure period; or
- (ii) The Mortgagor shall fail to honor any other covenant herein or in the Restructuring Agreement and shall have failed to cure such covenant default within ten (10) days following receipt of written notice thereof from either the Trustee or the District; or
- (iii) The filing of a voluntary petition in bankruptcy by the Mortgagor, or any successor thereto, or the filing of an involuntary bankruptcy against the Mortgagor, or any successor thereto, which is not dismissed within sixty (60) days; or
- (iv) A material default occurs (and remains uncured after passage of any applicable cure period with respect thereto) under or foreclosure proceedings (whether judicial or otherwise) are instituted on any Prior Mortgage.

Upon the occurrence of any Event of Default, the Mortgagee shall have the right to pursue all legal and equitable remedies for default whether such rights and remedies are granted by this Mortgage, or under the Restructuring Agreement, including, without limitation, the institution of foreclosure proceedings against the Land under the terms of this Mortgage and any applicable state or federal law; provided, however, that notwithstanding the foregoing or any provision to the contrary in this Mortgage, this Mortgage shall be without recourse against Mortgagor, and Mortgagor shall not have any personal liability hereunder. In the event that at any time while any of the obligations under the Restructuring Agreement (whether then due or

thereafter payable) remain in effect under the Restructuring Agreement, the Land, or portion thereof then encumbered by this Mortgage, is sold pursuant to a final judgment of foreclosure of this Mortgage, or the Mortgagor or anyone else exercises any right or equity of redemption with regard to this Mortgage, this Mortgage shall nevertheless survive any such sale or redemption and shall remain in full force and effect, without change in priority relative to any other lien or encumbrance, and shall continue to secure all obligations then or thereafter due for so long as the obligations shall remain in effect.

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

Attorney Fees. In the event that a party is required to enforce this Mortgage by court proceedings or otherwise, then the prevailing party shall be entitled to recover from the non-prevailing party all fees and costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

Governing Law. The terms and provisions of this Mortgage are to be governed by the laws of the State of Florida.

Time is of the Essence. Mortgagor acknowledges that time is of the essence for each time and date specifically set forth herein.

Notices. All notices, requests, consents and other communications under or in connection with this Mortgage ("Notices") shall be in writing and shall be delivered, mailed by Certified U.S. Mail, Return Receipt Requested, postage prepaid, or overnight delivery service, to the parties, as follows:

If to Mortgagor: RH VENTURE I, LLC
7807 Baymeadows Road East
Suite 205
Jacksonville, Florida 32256
Attn: Walt Bussellis and Erik Wilson

With copies to: Stearns Weaver Miller Weissler Alhadeff &
Sitterson, P.A.
201 E. Jackson St. Ste 2200
Tampa, Florida 33602
Attn: Leigh K. Fletcher

If to Mortgagee:

U.S. Bank National Association
Corporate Trust Services
225 E. Robinson Street, Suite 250
Orlando, FL 32801
phone 407-835-3802
fax 407-835-3814
Attention: Kathy R. Broecker
(213) 615-6196 (facsimile)
keith.marshall@usbank.com

With copies to:

Greenberg Traurig, P.A.
450 South Orange Avenue, Suite 650
Orlando, Florida 32801
Attention: Warren S. Bloom
(407) 420-5909 (facsimile)
bloomw@gtlaw.com

Any Notice may also be sent by facsimile or electronic mail, provided that, on the same date, a copy of the Notice is mailed by Certified U.S. Mail, Return Receipt Requested, postage prepaid, or deposited with overnight delivery service. Any Notice shall be deemed received only upon actual delivery at the address set forth above. Notices received 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 Mortgage 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 the represented 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.

[The remainder of this page is blank. Continued on next page.]

IN WITNESS WHEREOF, the Mortgagor has caused this instrument to be duly executed as of the day and year first above written.

Witnesses:

Mortgagor: RH VENTURE I, LLC
a Florida limited liability company

Witness Signature
Printed name: _____

By: _____
Printed name:
Title:

Date Signed: _____, 20__

Witness Signature
Printed name: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____ as the _____ of _____ the Mortgagor herein, who [____] is personally known to me or [____] has produced _____ as identification.

AFFIX NOTARY STAMP OR SEAL

Print Name: _____
Notary Public

EXHIBIT A

Legal Description of the Land

Lots 1 through 4, inclusive; Lots 125 through 222, inclusive; Lots 250, 251, 252, 300, and Lots 315 through 402, inclusive, all of HAMPTON LAKES AT RIVER HALL, PHASE ONE, according to the plat thereof recorded as Clerk's Instrument No. 2005000153004, of the public records of Lee County, Florida.

TOGETHER WITH:

Lot 1 and Lots 23 through 32, inclusive, all of HAMPTON LAKES AT RIVER HALL, PHASE TWO, according to the plat thereof recorded as Clerk's Instrument No. 2007000059747, of the public records of Lee County, Florida.

TOGETHER WITH:

Lots 2 through 12, inclusive, and Lots 33 through 36, inclusive, all of HAMPTON LAKES AT RIVER HALL, PHASE TWO, according to the plat thereof recorded as Clerk's Instrument No. 2007000059747, of the public records of Lee County, Florida.

TOGETHER WITH:

Lots 52 through 68, inclusive, Lots 70 and 72 through 78, inclusive, in Block E; Lots 1 through 23, inclusive, in Block H; Lots 1 through 163, inclusive, in Block J; Lots 1 through 57, inclusive, Lots 65 through 90, inclusive, and Lots 92 through 104, inclusive, in Block K; Lots 1 through 39, in Block S; and Tract "C-1," all of RIVER HALL COUNTRY CLUB, PHASE TWO, according to the plat thereof recorded as Clerk's Instrument No. 2006000409514, of the public records of Lee County, Florida.

TOGETHER WITH:

Lots 13 through 22, inclusive, and Lots 37 through 41, inclusive, all of HAMPTON LAKES AT RIVER HALL, PHASE TWO, according to the plat thereof recorded as Clerk's Instrument No. 2007000059747, of the public records of Lee County, Florida.

TOGETHER WITH:

A tract or parcel of land lying in Sections 35 and 36, Township 43 South, Range 26 East, Lee County, Florida, said tract or parcel of land being more particularly described as follows:

Beginning at the Southerly Most corner of Tract "B-16" of the record plat of River Hall Country Club, Phase Two, as recorded in Instrument Number 2006000409514, Lee County Records, run the following eleven (11) courses along the Southerly line of said record plat: N72°42'51" E for 186.40 feet to a point on a non-tangent curve; Northeasterly along an arc of a curve to the right of radius 190.00 feet (delta 110°19'44") (chord bearing N47°39'10" E) (chord 311.90 feet) for 365.86 feet to a point of reverse curvature; Easterly along an arc of a curve to the left of radius 90.00 feet (delta 17°01'46") (chord bearing S85°41'51" E) (chord 26.65 feet) for 26.75

feet to a point of tangency; N85°47'16" E for 103.64 feet to a point of curvature; Easterly along an arc of a curve to the left of radius 640.00 feet (delta 24°16'20") (chord bearing N73°39'06" E) (chord 269.10 feet) for 271.12 feet to a point of reverse curvature; Easterly along an arc of a curve to the right of radius 560.00 feet (delta 12°52'56") (chord bearing N67°57'24" E) (chord 125.64 feet) for 125.91 feet to a point of tangency; N74°23'52" E for 423.58 feet to a point of curvature; Easterly along an arc of a curve to the right of radius 560.00 feet (delta 14°41'42") (chord bearing N81°44'43" E) (chord 143.23 feet) for 143.63 feet to a point of tangency; N89°05'34" E for 175.70 feet; S00°28'09" W for 99.16 feet and S89°31'51" E for 80.00 feet to the southwest corner of Tract "D-14" of said record plat; thence run S00°28'09" W for 525.01 feet; thence run N89°31'51" W for 217.48 feet to a point of curvature; thence run Westerly along an arc of a curve to the left of radius 85.00 feet (delta 18°38'24") (chord bearing S81°08'57" W) (chord 27.53 feet) for 27.65 feet to a point of tangency; thence run S71°49'45" W for 884.51 feet; thence run S47°00'37" W for 83.95 feet to a point of curvature; thence run Westerly along an arc of a curve to the right of radius 755.00 feet (delta 99°33'13") (chord bearing N83°12'47" W) (chord 1,152.94 feet) for 1,311.84 feet to a point of compound curvature; thence run Northerly along an arc of a curve to the right of radius 255.00 feet (delta 91°24'53") (chord bearing N12°16'16" E) (chord 365.05 feet) for 406.85 feet to a point of tangency; thence run N57°58'43" E for 110.04 feet to a point of curvature; thence run Easterly along an arc of a curve to the right of radius 255.00 feet (delta 57°16'29") (chord bearing N86°36'57" E) (chord 244.42 feet) for 254.91 feet; thence run N25°15'11" E along a non-tangent line for 30.08 feet to an intersection with the Southerly line of said record plat; thence run S42°30'21" E along said Southerly line for 222.31 feet to the POINT OF BEGINNING.

TOGETHER WITH:

A tract or parcel of land lying in Section 27, Township 43 South, Range 26 East, Lee County, Florida, said tract or parcel of land being more particularly described as follows:

Commencing at the North Quarter Corner of said Section 27 run S00°51'17"E along the East line of the West Half (W 1/2) of said Section 27 for 1,322.39 feet to the Southeast corner of the Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4) of the Northwest Quarter (NW 1/4) of said Section 27; thence run S88°54'52"W along the South line of said Fraction for 658.74 feet to the Southwest corner of said fraction and the POINT OF BEGINNING.

From said Point of Beginning run the following eleven (11) courses along the Southerly line of Conservation Easement CE-3, described in a deed recorded in Official Record Book 3492, at Page 568, Lee County Records: S34°56'26"E for 102.67 feet; S09°14'30"E for 48.67 feet; S67°52'13"E for 81.78 feet; S48°12'54"E for 71.57 feet; S01°01'22"W for 27.84 feet; S80°11'09"E for 57.75 feet; S87°52'40"E for 72.84 feet; N88°30'21"E for 65.61 feet; N87°58'32"E for 123.03 feet; N86°30'04"E for 86.75 feet and N89°08'44"E for 62.31 feet to an intersection with said East line of the West Half (W 1/2) of Section 27; thence run S00°51'17"E along said East line for 166.25 feet; thence run S83°26'57"W for 690.32 feet to an intersection with the Easterly right of way line of River Hall Parkway described in a deed recorded in Official Record Book 4326, at Page 1851, Lee County Records; thence run Northwesterly along said Easterly right of way line and along an arc of a curve to the left of radius 430.00 feet (delta 48°18'15") (chord bearing N30°42'11"W) (chord 351.88 feet) for 362.52 feet to an intersection with the Southerly line of lands described in Instrument No. 2007000309267, Lee County Records; thence run the following three courses along said Southerly line: N59°14'31"E for 186.92 feet; N00°00'00"E for 85.63 feet to a point of tangency and Northeasterly along an arc of a curve to the right of radius 67.00 feet (delta 65°23'59") (chord bearing N32°42'00"E) (chord 72.39 feet) for 76.48 feet to an

intersection with the West line of said Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4) of the Northwest Quarter (NW 1/4) of said Section 27; thence run S00°50'17"E along said West line for 60.93 feet to the POINT OF BEGINNING.

TOGETHER WITH any and all right, title and interest of Mortgagor in and to the Land, and in addition the following rights and interests applicable to the Land if and to the extent that they exist and are now owned or hereafter acquired by Mortgagor: (a) all improvements now or hereafter attached to or placed, erected, constructed or developed on the Land (the "Improvements"); (b) all rights of access to the Land and all streets, roads, alleys, curb cuts, public places, easements, privileges, and rights-of-way, used in connection with, or belonging or pertaining to the Land, and all right to construct, tie into and use all offsite roadways, utility lines and drainage facilities to serve the Land and the Improvements; (c) all rights in and to any strips or gores of land and the shores and bottoms of any water bodies lying within or adjoining the Land, and riparian rights; (d) all equipment, fixtures and other articles of personal property (the "Personal Property") now or hereafter attached to the Improvements; (e) all timber, crops, vegetation, oil, gas, minerals, soil, on or below the Land; (f) all permits, authorizations, licenses, approvals, entitlements and vested rights, impact fee credits, sewer, water and other utility rights and capacities, drainage rights, concurrency, land use and development rights, pertaining to the Land, the Improvements or the Personal Property (collectively, the "Permits and Entitlements"); (g) all plans and specifications for Improvements; (h) all contract rights pertaining to the ownership and/or operation of the Land, Improvements or Personal Property, including, but not limited to, all construction and consulting contracts; (i) all insurance proceeds derived from or connected with the Land, Improvements or Personal Property; (j) all rights to tie into and use and enjoy the River Hall Country Club Association common areas and amenities and all project infrastructure within or serving the Land; (k) the non-exclusive right to use the name, logo, color schemes and markings adopted by Mortgagor to identify and market the Land and Improvements, including, but not limited to the non-exclusive use of the name "River Hall Country Club"; (l) all proceeds arising from or by virtue of the sale, lease or other use or disposition of the Land, the Improvements or the Personal Property; (m) all proceeds from the taking of any of the Land, the Improvements, except as set forth in the Restructuring Agreement, the Personal Property or any rights appurtenant thereto by right of eminent domain or by purchase in lieu thereof, including but not limited to any change of grade on the Land; (n) all leases, income, proceeds, rents, royalties, bonuses, issues, profits, revenues, deposits and other benefits of the Land, the Improvements and the Personal Property; (o) all rights, interests, hereditaments and appurtenances pertaining to or benefiting any of the aforementioned properties, rights or interests; (p) all additional title, estate, interest, and other rights that may hereafter be acquired by Mortgagor in the Land, Improvements, Permits and Entitlements and Personal Property, and (q) all additions and accretions to, renewals of, changes to, and replacements or substitutions for, any and all of the foregoing properties, rights or interests. If and to the extent that any of the said properties, rights and interests are personal property or fixtures, Mortgagor, as debtor, also hereby grants to Mortgagee, as secured party, a security interest in all such personal property and fixtures to secure payment and performance of the obligations of the Restructuring Agreement and this Mortgage constitutes a security agreement under the Uniform Commercial Code of the State of Florida, covering all said personal property and fixtures, and Mortgagor hereby authorizes Mortgagee to financing statements to perfect the security interest granted hereunder. (Collectively, "Other Collateral")

Note to Recording Clerk: No documentary stamp tax or intangible tax is due or payable on this Mortgage because of the uncertainty regarding when, and in what amount, any obligation secured by this Mortgage may become due or payable.

APPENDIX B

Form of Bill of Sale

This instrument prepared by:
Greenberg Traurig, P.A.
450 South Orange Avenue, Sixth Floor
Orlando, Florida 32801

BILL OF SALE AND CONTINGENT COLLATERAL ASSIGNMENT

THIS BILL OF SALE AND CONTINGENT COLLATERAL ASSIGNMENT (this "Bill of Sale"), made the ___ day of May, 2011 (the "Effective Date"), by RH VENTURE I LLC, a Florida limited liability company, whose address is 7807 BAYMEADOWS ROAD EAST SUITE 205, JACKSONVILLE FL 32256 (hereinafter called the "Transferor"), to and in favor of _____, a _____, whose address is _____, (hereinafter called the "Transferee").

WITNESSETH:

WHEREAS, Transferor owns or may have some right, title, interest or estate in and to the property, rights, interests, and estates (collectively, the "Assets") listed or referred to on Exhibit "A" attached to this Bill of Sale; and

WHEREAS, Transferor desires to transfer to Transferee, effective as of the Effective Date, all of Transferor's right, title, interest and estate in and to the Assets and, and Transferee desires to accept such transfer.

NOW, THEREFORE, for and in consideration of these presents and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged by the Transferor, the Transferor covenants and agrees as follows:

1. Recitals and Definitions. The foregoing recitals are true and correct and they are hereby incorporated into and made a material part of this Bill of Sale.

2. Assignment of Assets. The Transferor hereby assigns, transfers, conveys, grants, bargains, sets over, releases, delivers, vests and confirms unto the Transferee and its successors and assigns, forever, the entire right, title, interest and estate of the Transferor, whether now owned or hereafter acquired, free and clear of all encumbrances, in and to all of the Assets. To the best of Transferor's knowledge, without independent verification or investigation by Transferor, the Transferor hereby represents and warrants to the Transferee: (a) that the Transferor is the lawful owner of the Assets; and (b) that the Transferor has good right and lawful authority to sell, assign and transfer the Assets. However, no warranty of merchantability or fitness for a particular purpose is intended,

expressed or implied, and the items of personal property are conveyed in their present conditions "AS IS," and "WITH ALL FAULTS."

3. Obligations and Liabilities Not Assumed. Nothing expressed or implied in this Bill of Sale shall be deemed to be an assumption or agreement to assume by the Transferee of any liability of the Transferor. The Transferee does not assume or agree to assume, pay, perform, or discharge any liability of the Transferor of any nature, kind or description whatsoever.

4. Further Assurances. The Transferor covenants and agrees that, at any time and from time to time after the date of this Bill of Sale, at the request of the Transferee or any of Transferee's successors or assigns, the Transferor will do, execute, acknowledge and deliver, or will cause to be done, executed, acknowledged and delivered, any and all further acts, conveyances, transfers, assignments, and assurances as necessary to grant, sell, convey, assign, transfer, set over to or vest in the Transferee any or all of the Assets.

5. No Third Party Beneficiaries. This Bill of Sale shall be binding upon and inure solely to the benefit of the Transferor and the Transferee and their respective successors and assigns. Nothing in this Bill of Sale, whether express or implied, is intended to, or shall, confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Bill of Sale.

6. Severability. Each term, covenant, condition and provision of this Bill of Sale is intended to be severable. If any term, covenant, condition or provision hereof is judicially determined to be unlawful, invalid, or unenforceable, then all remaining parts of this Bill of Sale shall be valid and enforceable and have full force and effect as if the unlawful, invalid or unenforceable term, covenant, condition or provision had not been included.

7. Headings and Exhibits. The section headings herein contained are for the purposes of identification only and shall not be considered in construing this Bill of Sale. All exhibits referred to in this Bill of Sale or the exhibits hereto are hereby incorporated into and made a part of this Bill of Sale.

8. Governing Law and Venue. This Bill of Sale shall be governed by the laws of the State of Florida. Any litigation relating to this Bill of Sale shall be brought solely in the state or federal courts located in or serving Lee County, Florida.

9. Litigation. In connection with any litigation arising out of this Bill of Sale or for the enforcement or interpretation of this Bill of Sale, the substantially prevailing party shall be entitled to recover from the party substantially not prevailing the substantially prevailing party's reasonable costs and attorney, paralegal and expert fees at all levels and in all proceedings, including, but not limited to, trial, appellate, bankruptcy and insolvency proceedings.

[The remainder of this page is blank. This Bill of Sale continues on the next page.]

IN WITNESS WHEREOF, the Transferor and Transferee have caused this Bill of Sale to be executed by their lawful representatives hereunto duly authorized effective as of the Effective Date.

WITNESSES:

Witness Signature
Printed name: _____

TRANSFERORS:

RH VENTURE I, LLC a Florida limited liability company

By: _____
Name: _____
Title: _____ President

Date Signed: _____, 2011

TRANSFEEE:

_____, a _____

By: _____
Name: _____
Title: _____

Date Signed: _____, 2011

STATE OF _____)
)
COUNTY OF _____) ss:

The foregoing Bill of Sale was acknowledged before me this _____ day of _____, 2011, by _____, as the _____ [], a Florida [], on behalf of the said corporation. He or she [] is personally known to me, or [] produced _____ as identification.

Signature of Notary Public

(Print Notary Name)

My Commission Expires: _____

AFFIX NOTARY STAMP

STATE OF _____)
)
COUNTY OF _____) ss:

The foregoing Bill of Sale was acknowledged before me this _____ day of _____, 2011, by _____, as the _____ [], a [Florida] corporation, on behalf of the said corporation. He or she [] is personally known to me, or [] produced _____ as identification.

Signature of Notary Public

(Print Notary Name)

My Commission Expires: _____

AFFIX NOTARY STAMP

#987193 v1
12485 0003 5/24/2011
5/24/2011

EXHIBIT "A" TO BILL OF SALE AND ASSIGNMENT

All right, title, interest and estate of Transferor now owned, or hereafter acquired, in and to the following property, rights, interests and estates:

(a) all buildings, structures, and other improvements (collectively, the "Improvements") now or hereafter located on, above or below the surface of the land (the "Land") described on Exhibit "B" attached to this Bill of Sale and Assignment, or any part or parcel thereof, and to the extent the same exist and are owned or acquired by Transferor, all land use, development, utility, drainage, concurrency and other permits, approvals, entitlements, rights, plans, warranties and capacities, water rights, and deposits, licenses, permits, authorizations, approvals and contract rights pertaining to ownership and/or operation of the Land and/or Improvements but only to the extent pertaining to ownership and operation of the Land; and

(b) all minerals, soil, flowers, shrubs, crops, trees, timber and other emblements on the Land or under or above the Land or any part or parcel thereof; and

(c) all machinery, furniture, furnishings, equipment, computer software and hardware, fixtures (including, without limitation, all heating, air conditioning, plumbing, lighting, communications and elevator fixtures) and other property of every kind and nature, whether tangible or intangible, whatsoever owned by Transferor, or in which Transferor has or shall have an interest, now or hereafter located upon the Land and the Improvements, or appurtenant thereto, and usable in connection with the present or future operation and occupancy of the Land and the Improvements, and all building equipment, materials and supplies of any nature whatsoever owned by Transferor, or in which Transferor has or shall have an interest, now or hereafter located upon the Land and the Improvements, or appurtenant thereto, or usable in connection with the present or future operation, enjoyment and occupancy of the Land and the Improvements, including any leases of any of the foregoing, any deposits existing at any time in connection with any of the foregoing, and the proceeds of any sale or transfer of the foregoing; and

(d) all leases made and affecting the Land, whether written or verbal, as said leases may have been modified, extended and renewed, with all rents income and profits due therefrom; and

(e) all proceeds of, and any unearned premiums on, any insurance policies covering the Land, the Improvements or any other property of Transferor associated with the Land and the Improvements, including, without limitation, the right to receive and apply the proceeds of any insurance, judgments, or settlements made in lieu thereof, for loss or damage to Transferor's property or the rents, revenues, income, profits, or proceeds from franchises, concessions, leases or licenses of, or on any part of, the Transferor's property, and all rights to receive from any insurer or other third party any insurance proceeds or indemnification payments to which Transferor is entitled but which have not been received by Transferor, and all claims of any type or nature related to Transferor's property, including, but not limited to, claims for damages, refunds and overpayments; and

(f) all rights as "Developer" pursuant to the Declaration of Covenants and Restrictions for River Hall Country Club recorded as Instrument No. 2005000153067 in the public records of Lee County, Florida, as further modified or supplemented from time to time.

(g) the name "River Hall Country Club" and all logos, trademarks and other rights in connection therewith for the Assets.

EXHIBIT "B" TO BILL OF SALE AND ASSIGNMENT

LEGAL DESCRIPTION

Lots 1 through 4, inclusive; Lots 125 through 222, inclusive; Lots 250, 251, 252, 300, and Lots 315 through 402, inclusive, all of HAMPTON LAKES AT RIVER HALL, PHASE ONE, according to the plat thereof recorded as Clerk's Instrument No. 2005000153004, of the public records of Lee County, Florida.

TOGETHER WITH:

Lot 1 and Lots 23 through 32, inclusive, all of HAMPTON LAKES AT RIVER HALL, PHASE TWO, according to the plat thereof recorded as Clerk's Instrument No. 2007000059747, of the public records of Lee County, Florida.

TOGETHER WITH:

Lots 2 through 12, inclusive, and Lots 33 through 36, inclusive, all of HAMPTON LAKES AT RIVER HALL, PHASE TWO, according to the plat thereof recorded as Clerk's Instrument No. 2007000059747, of the public records of Lee County, Florida.

TOGETHER WITH:

Lots 52 through 68, inclusive, Lots 70 and 72 through 78, inclusive, in Block E; Lots 1 through 23, inclusive, in Block H; Lots 1 through 163, inclusive, in Block J; Lots 1 through 57, inclusive, Lots 65 through 90, inclusive, and Lots 92 through 104, inclusive, in Block K; Lots 1 through 39, in Block S; and Tract "C-1," all of RIVER HALL COUNTRY CLUB, PHASE TWO, according to the plat thereof recorded as Clerk's Instrument No. 2006000409514, of the public records of Lee County, Florida.

TOGETHER WITH:

Lots 13 through 22, inclusive, and Lots 37 through 41, inclusive, all of HAMPTON LAKES AT RIVER HALL, PHASE TWO, according to the plat thereof recorded as Clerk's Instrument No. 2007000059747, of the public records of Lee County, Florida.

TOGETHER WITH:

A tract or parcel of land lying in Sections 35 and 36, Township 43 South, Range 26 East, Lee County, Florida, said tract or parcel of land being more particularly described as follows:

Beginning at the Southerly Most corner of Tract "B-16" of the record plat of River Hall Country Club, Phase Two, as recorded in Instrument Number 2006000409514, Lee County Records, run the following eleven (11) courses along the Southerly line of said record plat: N72°42'51" E for 186.40 feet to a point on a non-tangent curve; Northeasterly along an arc of a curve to the right

of radius 190.00 feet (delta 110°19'44") (chord bearing N47°39'10" E) (chord 311.90 feet) for 365.86 feet to a point of reverse curvature; Easterly along an arc of a curve to the left of radius 90.00 feet (delta 17°01'46") (chord bearing S85°41'51" E) (chord 26.65 feet) for 26.75 feet to a point of tangency; N85°47'16" E for 103.64 feet to a point of curvature; Easterly along an arc of a curve to the left of radius 640.00 feet (delta 24°16'20") (chord bearing N73°39'06" E) (chord 269.10 feet) for 271.12 feet to a point of reverse curvature; Easterly along an arc of a curve to the right of radius 560.00 feet (delta 12°52'56") (chord bearing N67°57'24" E) (chord 125.64 feet) for 125.91 feet to a point of tangency; N74°23'52" E for 423.58 feet to a point of curvature; Easterly along an arc of a curve to the right of radius 560.00 feet (delta 14°41'42") (chord bearing N81°44'43" E) (chord 143.23 feet) for 143.63 feet to a point of tangency; N89°05'34" E for 175.70 feet; S00°28'09" W for 99.16 feet and S89°31'51" E for 80.00 feet to the southwest corner of Tract "D-14" of said record plat; thence run S00°28'09" W for 525.01 feet; thence run N89°31'51" W for 217.48 feet to a point of curvature; thence run Westerly along an arc of a curve to the left of radius 85.00 feet (delta 18°38'24") (chord bearing S81°08'57" W) (chord 27.53 feet) for 27.65 feet to a point of tangency; thence run S71°49'45" W for 884.51 feet; thence run S47°00'37" W for 83.95 feet to a point of curvature; thence run Westerly along an arc of a curve to the right of radius 755.00 feet (delta 99°33'13") (chord bearing N83°12'47" W) (chord 1,152.94 feet) for 1,311.84 feet to a point of compound curvature; thence run Northerly along an arc of a curve to the right of radius 255.00 feet (delta 91°24'53") (chord bearing N12°16'16" E) (chord 365.05 feet) for 406.85 feet to a point of tangency; thence run N57°58'43" E for 110.04 feet to a point of curvature; thence run Easterly along an arc of a curve to the right of radius 255.00 feet (delta 57°16'29") (chord bearing N86°36'57" E) (chord 244.42 feet) for 254.91 feet; thence run N25°15'11" E along a non-tangent line for 30.08 feet to an intersection with the Southerly line of said record plat; thence run S42°30'21" E along said Southerly line for 222.31 feet to the POINT OF BEGINNING.

TOGETHER WITH:

A tract or parcel of land lying in Section 27, Township 43 South, Range 26 East, Lee County, Florida, said tract or parcel of land being more particularly described as follows:

Commencing at the North Quarter Corner of said Section 27 run S00°51'17"E along the East line of the West Half (W 1/2) of said Section 27 for 1,322.39 feet to the Southeast corner of the Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4) of the Northwest Quarter (NW 1/4) of said Section 27; thence run S88°54'52"W along the South line of said Fraction for 658.74 feet to the Southwest corner of said fraction and the POINT OF BEGINNING.

From said Point of Beginning run the following eleven (11) courses along the Southerly line of Conservation Easement CE-3, described in a deed recorded in Official Record Book 3492, at Page 568, Lee County Records: S34°56'26"E for 102.67 feet; S09°14'30"E for 48.67 feet; S67°52'13"E for 81.78 feet; S48°12'54"E for 71.57 feet; S01°01'22"W for 27.84 feet; S80°11'09"E for 57.75 feet; S87°52'40"E for 72.84 feet; N88°30'21"E for 65.61 feet; N87°58'32"E for 123.03 feet; N86°30'04"E for 86.75 feet and N89°08'44"E for 62.31 feet to an intersection with said East line of the West Half (W 1/2) of Section 27; thence run S00°51'17"E along said East line for 166.25 feet; thence run S83°26'57"W for 690.32 feet to an intersection with the Easterly right of way line of River Hall Parkway described in a deed recorded in

Official Record Book 4326, at Page 1851, Lee County Records; thence run Northwesterly along said Easterly right of way line and along an arc of a curve to the left of radius 430.00 feet (delta 48°18'15") (chord bearing N30°42'11"W) (chord 351.88 feet) for 362.52 feet to an intersection with the Southerly line of lands described in Instrument No. 2007000309267, Lee County Records; thence run the following three courses along said Southerly line: N59°14'31"E for 186.92 feet; N00°00'00"E for 85.63 feet to a point of tangency and Northeasterly along an arc of a curve to the right of radius 67.00 feet (delta 65°23'59") (chord bearing N32°42'00"E) (chord 72.39 feet) for 76.48 feet to an intersection with the West line of said Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4) of the Northwest Quarter (NW 1/4) of said Section 27; thence run S00°50'17"E along said West line for 60.93 feet to the POINT OF BEGINNING.

TOGETHER WITH any and all right, title and interest of Mortgagor in and to the above described real property, and in addition the following rights and interests applicable to the Land if and to the extent that they exist and are now owned or hereafter acquired by Mortgagor: (a) all improvements now or hereafter attached to or placed, erected, constructed or developed on the Land (the "Improvements"); (b) all rights of access to the Land and all streets, roads, alleys, curb cuts, public places, easements, privileges, and rights-of-way, used in connection with, or belonging or pertaining to the Land, and all right to construct, tie into and use all offsite roadways, utility lines and drainage facilities to serve the Land and the Improvements; (c) all rights in and to any strips or gores of land and the shores and bottoms of any water bodies lying within or adjoining the Land, and riparian rights; (d) all equipment, fixtures and other articles of personal property (the "Personal Property") now or hereafter attached to the Improvements; (e) all timber, crops, vegetation, oil, gas, minerals, soil, on or below the Land; (f) all permits, authorizations, licenses, approvals, entitlements and vested rights, impact fee credits, sewer, water and other utility rights and capacities, drainage rights, concurrency, land use and development rights, pertaining to the Land, the Improvements or the Personal Property (collectively, the "Permits and Entitlements"); (g) all plans and specifications for Improvements; (h) all contract rights pertaining to the ownership and/or operation of the Land, Improvements or Personal Property, including, but not limited to, all construction and consulting contracts; (i) all insurance proceeds derived from or connected with the Land, Improvements or Personal Property; (j) all rights to tie into and use and enjoy the Association common areas and amenities and all project infrastructure within or serving the Land; (k) the non-exclusive right to use the name, logo, color schemes and markings adopted by Mortgagor to identify and market the Land and Improvements, including, but not limited to the non-exclusive use of the name "Riverhall"; (l) all proceeds arising from or by virtue of the sale, lease or other use or disposition of the Land, the Improvements or the Personal Property; (m) all proceeds from the taking of any of the Land, the Improvements, the Personal Property or any rights appurtenant thereto by right of eminent domain or by purchase in lieu thereof, including but not limited to any change of grade on the Land; (n) all leases, income, proceeds, rents, royalties, bonuses, issues, profits, revenues, deposits and other benefits of the Land, the Improvements and the Personal Property; (o) all rights, interests, hereditaments and appurtenances pertaining to or benefiting any of the aforementioned properties, rights or interests; (p) all additional title, estate, interest, and other rights that may hereafter be acquired by Mortgagor in the Land, Improvements, Permits and Entitlements and Personal Property, and (q) all additions and accretions to, renewals of, changes to, and replacements or substitutions for, any and all of the foregoing properties, rights or interests. If and to the extent that any of the said properties, rights and interests are personal

property or fixtures, Mortgagor, as debtor, also hereby grants to Mortgagee, as secured party, a security interest in all such personal property and fixtures to secure payment and performance of the obligations of the Restructuring Agreement and this Mortgage constitutes a security agreement under the Uniform Commercial Code of the State of Florida, covering all said personal property and fixtures, and Mortgagor hereby authorizes Mortgagee to financing statements to perfect the security interest granted hereunder. (Collectively, "Other Collateral")

ATTACHMENT

“K”

TO JUNE 22, 2020 MEMORANDUM

This space reserved for use by the Clerk of
the Circuit Court

This Instrument Prepared by
and return to:

River Hall Community Development District
c/o Rizzetta & Company, Inc.
9530 Marketplace Road, Suite 206
Fort Myers, Florida 33912

**DISCLOSURE OF PUBLIC FINANCING AND MAINTENANCE
OF IMPROVEMENTS TO REAL PROPERTY UNDERTAKEN BY
THE RIVER HALL COMMUNITY DEVELOPMENT DISTRICT**

**District Manager
Rizzetta & Company, Inc.
9530 Marketplace Road, Suite 206
Fort Myers, Florida 33912
(239) 936-0913**

District records are on file at the District Manager's office and are available for public inspection upon request during normal business hours.

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Introduction

On behalf of the Board of Supervisors of the River Hall Community Development District (the "District"), the following information is provided to give you a description of the District's facilities and services and the assessments that were levied within the District to pay for certain community infrastructure, and the manner in which the District is operated. The District is a unit of special-purpose local government created pursuant to and existing under the provisions of Chapter 190, Florida Statutes. Unlike city and county governments, the District has only certain limited powers and responsibilities. These powers and responsibilities include, for example, construction and/or acquisition of certain water and sewer facilities, water management and drainage control facilities and roadway improvements.

Under Florida law, community development districts are required to take affirmative steps to provide for the full disclosure of information relating to the public financing and maintenance of improvements to real property undertaken by such districts. The law specifically provides that this information shall be made available to all persons currently residing within the District and to all prospective District residents. The following information, describing the River Hall Community Development District and the assessments, fees and charges that were levied within the District to pay for certain community infrastructure, is provided to fulfill this statutory requirement.

What is the District and how is it governed?

The District is a local unit of special purpose government which was established on April 21, 2005 by the Florida Land and Water Adjudicatory Commission. The boundaries of the District were subsequently modified on July 20, 2006 by Rule 42YY-1.002. The District, as expanded, encompasses approximately 1,958 acres and is wholly within the boundaries of Lee County, Florida. The District is located to the east of Interstate 75 and to the south of State Road 80 in the City of Alva within Lee County, Florida. As a local unit of special-purpose government, the District provides an alternative means for planning, financing, constructing, operating and maintaining various public improvements and community facilities within its jurisdiction.

The District is governed by a five-member Board of Supervisors, the members of which must be residents of the State of Florida and citizens of the United States. Within 90 days of appointment of the initial board, members were elected on an at-large basis by the owners of property within the District, each landowner being entitled to one vote for each acre of land with fractions thereof rounded upward to the nearest whole number. Elections are held every two years. Commencing six years after the initial appointment of Supervisors and when the District attains a minimum of 250 qualified electors, Supervisors whose terms are expiring will begin to be elected by qualified electors of the District. The first general election for the District is in November 2012. A "qualified elector" in this instance is any person at least 18 years of age who is a citizen of the United States, a legal resident of the State of Florida and of the District, and who is also registered with the Supervisor of Elections to vote in Lee County. Notwithstanding the foregoing, if at any time the Board proposes to exercise its ad valorem taxing power, it shall,

prior to the exercise of such power, call an election at which all members of the Board shall be elected by qualified electors of the District.

Board meetings are noticed in the local newspaper and are conducted in a public forum in which public participation is permitted. Consistent with Florida's public records laws, the records of the District are available for public inspection during normal business hours. Elected members of the Board are similarly bound by the State's open meetings law and are subject to the same disclosure requirements as other elected officials under the State's ethics laws.

What infrastructure improvements does the District provide and how are the improvements paid for?

The District currently consists of approximately 1,958 acres of land. The legal description for the lands encompassed within the District is attached as **Exhibit A**. The development project that encompasses the District is comprised of a mixed use master planned community containing residential units and commercial/office space. The public infrastructure necessary to support the development program within the development includes, but is not limited to, the following: earthwork, drainage, water management and environmental features, public roadways, utilities, security features, landscaping and signage of common areas, sidewalks and paths and off site infrastructure. Each of these infrastructure improvements is more fully detailed below. These improvements have been funded, in whole or in part, by the District's sale of special assessment bonds, which are more fully discussed below. Further information can be obtained from the District's engineering reports on file in the District's public records.

Earthwork

Earthwork within the Project consists of the excavation of stormwater management lakes with the excavated material used to construct District projects and the balance disposed of on site. The roadways and development parcels required fill to provide minimum elevations for flood protection. Roads were designed to the five-year storm event elevation as a minimum and finish floors elevations were also established equal or greater than the 100-year – 3 day storm event.

Water management lakes were excavated to at least the minimum size and depth requirements of the South Florida Water Management District.

Drainage and Water Management

The water management system for the Project consists of excavated stormwater lakes, culverts, inlets, and water control structures as well as restoration and preservation of jurisdictional wetlands. South Florida Water Management District permitted the entire Project surface water management system (ERP 36-04006-P), which was constructed in multiple Phases. The District water management facilities consist of approximately 162 acres of lakes with an interconnected pipe system. Stormwater runoff from the areas within the Project is routed to the

stormwater management lakes for water quality treatment and attenuation. The treated stormwater is subsequently released through the conveyance systems and control structures to the Caloosahatchee River.

The stormwater management system was designed in accordance with the South Florida Water Management District Basis of Review. These regulations set minimum criteria for water quality treatment and flood protection. The stormwater management areas are designed to attenuate 25 year – 3 day rainfall event.

A sediment and erosion control plan was prepared and implemented for all construction activities. Sediment and erosion control includes slope and outfall protection, such as inlet protection, staked silt fences and floating turbidity barriers.

Roadways

The roadways within the Project consist of two-lane undivided, two-lane divided and four-lane divided sections. The roadways serve the various land uses within the Project and connect to existing State Road 80. The roadways were constructed within dedicated or platted right-of-ways. Approximately 14.8 miles of public and private roadway was constructed. Only public roadways were funded by the District.

Utilities

The District funded utilities within the Project consists of potable water distribution mains, wastewater collection and transmission mains designed and constructed in accordance with Lee County Utilities Standards, Florida Department of Environmental Protection and Lee County Health and Rehabilitative Services standards. As utilities are completed and certified, they are turned over to Lee County Utilities for ownership, operation and maintenance responsibilities.

The potable water facilities include both transmission and distribution lines along with the necessary valving, fire hydrants and water services to individual lots and development parcels. Over 15.2 miles of water main were constructed. The wastewater facilities include gravity collection mains with individual lot sewer services, pump stations, a master pump station and force mains. Over 12.9 miles of gravity collection system, 7.0 miles of force main, 10 sanitary sewer pump stations and 1 master pump station were constructed.

Privacy Gates, Fences and Systems

A guardhouse was installed at the main entrance of Cascades at River Hall and River Hall Country Club, and an unmanned gate entrance was installed at the main entrance of Hampton Lakes for purposes of community privacy. Each community is further secured by a combination of perimeter berming, landscaping, fences and walls. Privacy features are located within platted road right-of-ways or open space/landscape tracts or easements. All guardhouses and gates were and are to be developer funded improvements.

Landscaping and Signage

Landscaping was provided for the roadways, perimeter berms, lake banks and main entrances. The landscaping consists of sod, annual flowers, shrubs, groundcover, littoral plants and trees. Existing native vegetation was preserved and incorporated into the landscape to the extent possible.

Sidewalks and Paths

The Project is a pedestrian friendly community that includes extensive sidewalk and paths navigating most roadways and conservation areas. The sidewalk and paths are a combination of concrete and/or asphalt depending upon their locations within the community.

Off-Site Infrastructure

Offsite roadway improvements include construction of auxiliary lanes and a connection of State Road 80. Offsite utility improvements include connection of potable water and sanitary transmission mains to Lee County Utilities within the Florida Department of Transportation (FDOT) Public right-of-way of State Road 80.

Assessments, Fees, and Charges

In October 2005, the District issued, sold and delivered its \$26,485,000 River Hall Community Development District Capital Improvement Revenue Bonds, Series 2005, in one series (the "2005 Bonds"). Proceeds of the Series 2005 Bonds have been, and will continue to be, used to finance the acquisition and construction of proposed infrastructure improvements to serve the lands within the District.

The 2005 Bonds as originally issued were payable from and secured by Assessments imposed, levied and collected by the District with respect to property specially benefited by the 2005 Project (the "2005 Assessments"). A portion of the 2005 Assessments securing the 2005 Bonds became delinquent and were in default. In order to address the default on the payment of the 2005 Assessments, the District, 100% of the Series 2005 Bondholders, the Trustee and the majority property owner entered into a Restructuring Agreement and agreed to a restructure of the 2005 Bonds.

The Series 2005 Bonds were exchanged for Capital Improvement Revenue Bonds, Series 2011 ("Series 2011 Bonds"), to provide for the repositioning and orderly development of the land in the District. The District issued the Series 2011 Bonds in exchange for the delinquent portion of the 2005 Bonds and amended related Bond Documents as reflected in Resolution 2011-07, adopted by the Board of Supervisors on May 24, 2011.

Among other things, the Restructuring Agreement recognized that upon execution of the Restructuring Agreement and issuance of the Series 2011 Bonds, there was no further obligation of any party to separately pay any of the delinquent assessments securing the Series 2005 Bonds and there is no further obligation for the District to pay any delinquent amounts owing in debt service for the 2005 Bonds

The amounts described above exclude any operations and maintenance assessments ("O&M Assessments") which are determined and calculated annually by the District's Board of Supervisors and are levied against all benefitted lands in the District.

A detailed description of all costs and allocations that result in the formulation of assessments, fees and charges is available for public inspection upon request.

The District may undertake the construction, acquisition, or installation of other future improvements and facilities, which may be financed by bonds, notes or other methods authorized by Chapter 190, Florida Statutes.

Method of Collection

The District's operation and maintenance special assessments may appear on that portion of the annual real estate tax bill entitled "non-ad valorem assessments," and will be collected by the county tax collector in the same manner as county ad valorem taxes. Each property owner must pay both ad valorem and non-ad valorem assessments at the same time. Property owners will, however, be entitled to the same discounts as provided for ad valorem taxes. As with any tax bill, if all taxes and assessments due are not paid within the prescribed time limit, the tax collector is required to sell tax certificates that, if not timely redeemed, may result in the loss of title to the property.

Alternatively, the District may elect to collect any special assessment by sending a direct bill to a given landowner. In the event that an assessment payment is not timely made, the whole assessment – including any remaining amounts for the fiscal year as well as any future installments of assessments securing debt service – shall immediately become due and payable and shall accrue interest as well as penalties, plus all costs of collection and enforcement, and shall either be enforced pursuant to a foreclosure action, or, at the District's discretion, collected pursuant to the Uniform Method on a future tax bill, which amount may include penalties, interest, and costs of collection and enforcement. Please contact the District Manager for further information regarding collection methods.

This description of the River Hall Community Development District's operation, services and financing structure is intended to provide assistance to landowners and purchasers concerning the important role that the District plays in providing infrastructure improvements essential to the development of new communities. If you have questions or would simply like additional information about the District, please contact the District Manager at Rizzetta & Company, Inc., 9530 Marketplace Road, Suite 206, Fort Myers, Florida 33912.

IN WITNESS WHEREOF, this Disclosure of Public Financing and Maintenance of Improvements to Real Property Undertaken has been executed as of the 4th day of February, 2013, and recorded in the Official Records of Lee County, Florida.

RIVER HALL COMMUNITY DEVELOPMENT DISTRICT

By: [Signature]
Chairman, Board of Supervisors

[Signature]
Witness
Molly A. Syvret
Print Name

[Signature]
Witness
Kari L. Hardwick
Print Name

STATE OF FLORIDA
COUNTY OF Lee

The foregoing instrument was acknowledged before me this 4th day of February, 2013, by Grady Miars, Chairman of the River Hall Community Development District, who is personally known to me or who has produced as identification, and did [] or did not [] take the oath.

[Signature]
Notary Public, State of Florida

Print Name: _____
Commission No.: _____
My Commission Expires: _____
NOTARY PUBLIC STATE OF FLORIDA
Molly A. Syvret
Commission # DD904470
Expires: JULY 05, 2013
BONDED THRU ATLANTIC BONDING CO., INC.

EXHIBIT A: Legal Description

42YY-1.002 Boundary.

The boundaries of the District are as follows:

**Parcel in
Sections 25, 26, 27, 34, 35 and 36,
Township 43 South, Range 26 East
Lee County, Florida**

A tract or parcel of land lying in Sections 25, 26, 27, 34, 35 and 36, Township 43 South, Range 26 East, Lee County, Florida, said tract or parcel of land being more particularly described as follows:

Beginning at the Southeast corner of said Section 34 run N00°59'34"W along the East line of the Southeast Quarter (SE 1/4) of said Section 34 for 2,654.70 feet to the East Quarter corner of said Section 34; thence run S89°15'30"W along the North line of the South Half (S 1/2) of said Section 34 for 5,100.92 feet to a point on a non-tangent curve at the intersection with the Easterly line of lands described in a deed recorded in Official Record Book 4107, at Page 886, Lee County Records; thence run northwesterly along said Easterly line and along an arc of curve to the left of radius 240.00 feet (delta 21°30'24") (chord bearing N34°21'11"W) (chord 89.56 feet) for 90.09 feet to a point of tangency; thence run N45°06'23"W along said Easterly line for 156.71 feet to a point of curvature; thence run northwesterly along said Easterly line and along an arc of curve to the left of radius 240.00 feet (delta 06°54'55") (chord bearing N48°33'50"W) (chord 28.95 feet) for 28.97 feet to an intersection with the West line of the Northwest Quarter (NW 1/4) of said Section 34; thence run N00°49'55"W along said West line for 2,437.57 feet to the Southwest corner of said Section 27; thence run N00°49'48"W along the West line of the Southwest Quarter (SW 1/4) of said Section 27 for 659.59 feet to the Southwest corner of the Northwest Quarter (NW 1/4) of the Southwest Quarter (SW 1/4) of said Section 27; thence run N89°06'39"E along the South line of the North Half (N 1/2) of the Southwest Quarter (SW 1/4) of the Southwest Quarter (SW 1/4) of said Section 27 for 1,318.66 feet to the Southeast corner of the Northeast Quarter (NE 1/4) of the Southwest Quarter (SW 1/4) of the Southwest Quarter (SW 1/4) of said Section 27; thence run N00°50'33"W along the East line of said Fraction for 660.48 feet to the Northeast corner of said Fraction; thence run S89°04'20"W along the North line of said Fraction for 659.26 feet to the Southeast corner of the Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4) of the Southwest Quarter (SW 1/4) of said Section 27; thence run N00°50'10"W along the East line of said Fraction for 660.23 feet to the Northeast Corner of said Fraction; thence run S89°02'22"W along the North line of said Fraction for 659.19 feet to an intersection with the West line of the Southwest Quarter (SW 1/4) of said Section 27; thence run N00°49'48"W along said West line for 659.85 feet to the West Quarter corner of said Section 27; thence run N00°47'16"W along the West line of the Northwest Quarter (NW 1/4) of said Section 27 for 1,328.51 feet to an intersection with the Southerly right-of-way line of State Road 80, (150 feet wide); thence run N77°10'14"E along said Southerly right-of-way line for 2,020.27 feet to an intersection with the West line of the Southeast Quarter (SE 1/4) of the Northeast Quarter (NE 1/4) of the Northwest Quarter (NW 1/4) of said Section 27; thence run S00°50'17"E along said West line for 421.56 feet to the Southwest corner of said Fraction, being designated as POINT "A"; thence run N88°54'52"E along the South line of said Fraction for 658.74 feet to an intersection with the West line of the East Half (E 1/2) of said Section 27; thence run S00°51'17"E along said West line for 2,065.72 feet to an intersection with the Southwesterly line of Conservation Easement CE-5, described in a deed recorded in Official Record Book 3492, at Page 568, Lee County Records; thence run along said Southwesterly line the following courses: S89°09'06"W for 37.27 feet to a point on a non-tangent curve; northwesterly along an arc of curve to the left of radius 544.11 feet (delta 28°08'56") (chord bearing N29°19'43"W) (chord 264.63 feet) for 267.31 feet to a point on a non-tangent curve; northerly along an arc of curve to the right of radius 76.19 feet (delta 50°10'58") (chord bearing N18°17'17"W) (chord 64.62 feet) for 66.73 feet to a point on a non-tangent curve; and northerly along an arc of curve to the left of radius 294.98 feet (delta 04°38'23") (chord bearing N04°29'11"E) (chord 23.88 feet) for 23.89 feet; thence run S89°59'57"W along a non-tangent line for 290.94 feet to a point on a non-tangent curve and an intersection with the Southerly line of Conservation Easement CE-6, described in a deed recorded in Official Record Book 3492, at Page 568, Lee County Records; thence run along said Southerly line the following courses: southerly along an arc of curve to the left of radius 366.19 feet (delta 02°13'10") (chord bearing S03°58'21"W) (chord 14.18 feet) for 14.19 feet; S69°32'12"W along a non-tangent line for 112.75 feet to a point on a non-tangent curve; southwesterly along an arc of curve to the left of radius 175.00 feet (delta 102°58'00") (chord bearing S52°06'04"W) (chord 273.85 feet) for 314.49 feet; S88°44'23"W along a non-tangent line for 23.42 feet; S71°47'56"W for 48.67 feet; S07°58'00"W for 35.55 feet; S03°55'13"E for 56.03 feet; S23°32'56"W for 47.94 feet; S33°25'14"W for 36.18 feet; S12°58'58"W for 61.88 feet; N86°33'52"W for 89.92 feet; and S82°52'46"W for 49.35 feet; thence run S84°07'47"W along said Southerly line and the extension thereof for 87.43 feet to a point on a non-tangent curve; thence run southeasterly along an arc of curve to the left of radius 700.00 feet (delta

Exhibit A

34°14'28") (chord bearing S52°26'02"E) (chord 412.14 feet) for 418.33 feet to a point of tangency; thence run S69°33'15"E for 283.26 feet to a point of curvature; thence run southeasterly along an arc of curve to the right of radius 550.00 feet (delta 53°24'45") (chord bearing S42°50'53"E) (chord 494.36 feet) for 512.72 feet to a point of tangency; thence run S16°08'30"E for 429.10 feet to a point of curvature; thence run southerly along an arc of curve to the left of radius 700.00 feet (delta 02°04'24") (chord bearing S17°10'43"E) (chord 25.33 feet) for 25.33 feet to an intersection with the Northerly right-of-way line of the former Seaboard All Florida Railroad (100 feet wide) and Florida Power & Light Co. Easement (100 feet wide), described in a deed recorded in Deed Book 230, at Page 106, Lee County Records; thence run N89°00'08"E along a non-tangent line and said Northerly right-of-way line for 112.79 feet to an intersection with the West line of the East Half (E 1/2) of said Section 27; thence run S00°51'17"E along said West line for 50.00 feet to an intersection with the North line of the South 50 feet of said former Seaboard All Florida Railroad right-of-way (100 feet wide); thence run N89°00'08"E along said North line for 7,949.61 feet to an intersection with the West line of the Southwest Quarter (SW 1/4) of said Section 25; thence run N00°33'55"W along said West line for 50.00 feet to an intersection with the Northerly right-of-way line of the former Seaboard All Florida Railroad (100 feet wide); thence run N89°00'08"E along said right-of-way line for 5,295.61 feet to an intersection with the East line of the Southeast Quarter (SE 1/4) of said Section 25; thence run S01°39'28"E along said East line for 629.62 feet to the Northeast Corner of said Section 36 being designated as POINT "B"; thence run S00°16'51"E along the East line of the Northeast Quarter (NE 1/4) of said Section 36 for 2,647.36 feet to the East Quarter Corner of said Section 36; thence run S00°45'42"E along the East line of the Southeast Quarter (SE 1/4) of said Section 36 for 2,644.68 feet to the Southeast Corner of said Section 36; thence run S89°12'27"W along the South line of the Southeast Quarter (SE 1/4) of said Section 36 for 2,644.62 feet to the South Quarter Corner of said Section 36; thence run S89°11'43"W along the South line of the Southwest Quarter (SW 1/4) of said Section 36 for 2,643.63 feet to the Southeast Corner of said Section 35; thence run S88°54'06"W along the South line of the Southeast Quarter (SE 1/4) of said Section 35 for 2643.62 feet to the South Quarter Corner of said Section 35; thence run S88°53'41"W along the South line of the Southwest Quarter (SW 1/4) of said Section 35 for 2,642.70 feet to the POINT OF BEGINNING.

LESS and EXCEPT the following described parcels.

From the point designated as POINT "A" run S88°54'52"W along the South line of the Northeast Quarter (NE 1/4) of the Northwest Quarter (NW 1/4) of said Section 27 for 658.74 feet to the Northeast Corner of the Northeast Quarter (NE 1/4) of the Southwest Quarter (SW 1/4) of the Northwest Quarter (NW 1/4) of said Section 27 and POINT OF BEGINNING.

From said Point of Beginning run S00°49'17"E along the East line of said Fraction for 660.13 feet to the Southeast Corner of said Fraction; thence run S88°57'38"W along the South line of said Fraction for 658.93 feet to the Southwest Corner of said Fraction; thence run N00°48'16"W along the West line of said Fraction for 659.60 feet to the Northwest Corner of said Fraction; thence run N88°54'52"E along the North line of said Fraction for 658.74 feet to the POINT OF BEGINNING.

AND

LESS and EXCEPT the following described parcel.

From the point designated as POINT "B" run S88°44'46"W along the South line of the Southeast Quarter (SE 1/4) of said Section 25 for 2,674.22 feet to the South Quarter Corner of said Section 25; thence run S89°12'44"W along the South line of the Southwest Quarter (SW 1/4) of said Section 25 for 2,633.46 feet to the Southeast Corner of said Section 26 and the POINT OF BEGINNING.

From said Point of Beginning run S89°14'15"W along the South line of the Southeast Quarter (SE 1/4) of said Section 26 for 1,327.50 feet to the Southwest Corner of the Southeast Quarter (SE 1/4) of the Southeast Quarter (SE 1/4) of said Section 26; thence run N00°23'46"W along the West line of said Fraction for 526.48 feet to an intersection with the Southerly right-of-way line of the former Seaboard All Florida Railroad (100 feet wide); thence run N89°00'08"E along said Southerly right-of-way line for 1,325.98 feet to an intersection with the East line of the Southeast Quarter (SW 1/4) of said Section 26; thence run S00°33'55"E along said East line for 531.91 feet to the POINT OF BEGINNING.

Containing a Total Area of 1958.43 Acres, more or less.

Bearings hereinabove mentioned are State Plane for the Florida West Zone (1983/90 adjustment) and are based on the West line of the Northwest Quarter (NW 1/4) of said Section 34 to bear N00°49'55"W.

Specific Authority 190.005, 190.046 FS. Law Implemented 190.004, 190.005, 190.046 FS. History--New 4-21-05, Amended 7-20-06.

Exhibit A

ATTACHMENT

“L”

TO JUNE 22, 2020 MEMORANDUM

River Hall 9.5.19 Hancock
From JOE METCALFE

Pros and Cons of Issuing CDD Bonds

CDD not Issuing Bonds

- A) Minimum Headaches for CDD (PRO)
- 1) Developer finances thru conventional capital markets based on his credit worthiness.
 - 2) Developer turns completed lakes and associated property over to CDD at completion of the development for future CDD management at no transfer cost to CDD
 - 3) New lots are assessed for maintenance fees as part of overall River Hall CDD shared operations and new completed lakes and associated property are added to the total CDD budget
 - 4) Builder recoups cost of development capital in his pricing of lots or completed homes
 - 5) In case of failure to complete and there is bankruptcy, the CDD will still have a claim for maintenance fees if the lakes have been accepted by the CDD. But the CDD will have no responsibility for the lot financing
 - 6) Future home owners are not taking on a second mortgage for the infra structure development through CDD bonds. Depending on mortgage rates the home owner may be able to finance his share of the infrastructure (if included in the house price) at a lower rate than the CDD bonds.
- B) CONS (Developer)
- 1) Builder pricing of homes may appear higher than competition using CDD bonds. This may result in a lower profit for the Developer
 - 2) Future Homeowners with limited capital or credit may find they are not qualified for the total mortgage required without CDD bonds
 - 3) Developer may not have credit worthiness to obtain financing to develop project. Or cost of Development of infrastructure is more expensive because of the costs in private capital markets.

CDD issuing Bonds

- A) Maximum Benefit for Developer (Pro)
- 1) Lowest cost of financing the infrastructure development by using the CDD credit rating
 - 2) Minimizes the need for using Developers Capital
 - 3) In case of bankruptcy a defined procedure removes the Developer from the proceedings and pushes the problems onto the CDD
 - 4) With bonds in place it makes River Hall more valuable for resale to a new Developer/Builder
 - 5) Developer also wants bonds for infrastructure that Developer is already responsible for out of their pocket per the original River Hall CDD agreement.
- B) Cons (Developer)
- (1) Dealing with a Resident controlled CDD board
- C) Cons (River Hall CDD board)

1) No upside for the current CDD members (home owners). Current CDD residents do not profit by assuming the risk of being involved in the financing of the project.

2) When the CDD accepts the lakes and common ground it is responsible for maintenance. If there is a bankruptcy, the CDD must deal with the consequences of providing service while pursuing legal action to collect the CDD fees from the Developer while dealing with the bond holders .

- 3) Highest risk to CDD when all lots are owned by one owner (the developer) and he has spent the bond money and now must spend his money to complete the infrastructure while he is paying all the CDD fees on all the lots. CDD has no control of completion time for the infrastructure.
- 4) A significant portion of the existing 1999 lots in the CDD are still owned by the Developer so this makes the risks to the CDD greater since this is the same Developer

ATTACHMENT

“M”

TO JUNE 22, 2020 MEMORANDUM

FELDMAN & MAHONEY, P.A.

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MEMORANDUM

To: River Hall CDD Board of Supervisors
From: Donna J. Feldman, Esq.
Date: October 31, 2019
Re: Series 2019A Bond Issuance for Assessment Area 3
Cc: Daniel Cox, Esq.

In response to points raised by the River Hall Community Development District (“**District**”) Board of Supervisors (“**Board**”) at the Board’s October 3, 2019 meeting, and questions received thereafter from certain Supervisors, RH Venture II, LLC and RH Venture III, LLC (collectively, “**RH Venture**”) is modifying its request to the Board with regard to the issuance of bonds (“**Bonds**”) as to a portion of the land owned by RH Venture. The purpose of this Memorandum is to outline the modified request for discussion at the Board’s November 7, 2019 meeting.

Modified Request

RH Venture seeks for the Board to authorize and issue Bonds for the development of 332 single-family 50-foot wide lots within a future phase of the Hampton Lakes community, to be referred to as “Assessment Area 3.” Assessment Area 3 will not include Parcel C, Parcel Z, the commercial parcel or any of the other undeveloped land owned by RH Venture east of Assessment Area 3.

RH Venture’s consultants will revise and/or prepare, as applicable, the following to be presented to the Board at the Board’s December 5, 2019 meeting:

1. Supplement to the River Hall Community Development District Engineer’s Report dated October 25, 2005 (such Supplement being referred to as the “**2019 Engineer’s Report**”), which will describe the history of River Hall project, and include estimated costs only for Assessment Area 3, consisting of 332 single-family 50-foot wide lots.
2. Second Supplemental Special Assessment Methodology Report prepared by Wrathell, Hunt and Associates, LLC, for Assessment Area 3 (“**Assessment Methodology**”), which will provide the methodology only attributable to the Bonds and Assessment Area 3.
3. Bond Authorizing Resolution, authorizing the issuance of the Bonds for Assessment Area 3.
4. Exhibits to the Bond Authorizing Resolution, consisting of the Bond Purchase Agreement, Continuing Disclosure Agreement and Preliminary Limited Offering Memorandum (“**PLOM**”). The PLOM will be revised to describe the Bond issuance as presented above.

Schedule

At the Board’s November 7, 2019 meeting, we will discuss in more detail the modified request set forth above, and respond to open questions of the Board.

At the Board's December 5, 2019 meeting, RH Venture will request the Board to adopt the 2019 Engineer's Report, the Assessment Methodology and the Bond Authorizing Resolution, along with assessment resolutions to be presented by District Counsel, to authorize commencement of the assessment process as to the Bonds to be secured by liens only as to lands owned by RH Venture in Assessment Area 3.

ATTACHMENT

“N”

TO JUNE 22, 2020 MEMORANDUM

**MINUTES OF MEETING
RIVER HALL
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the River Hall Community Development District held a Regular Meeting on November 7, 2019, at 3:30 p.m., at the River Hall Town Hall Center, 3089 River Hall Parkway, Alva, Florida 33920.

Present were:

Joseph E. Metcalfe III	Chair
Ken Mitchell	Vice Chair
Paul D. Asfour	Assistant Secretary
Michael Morash	Assistant Secretary
Robert Stark	Assistant Secretary

Also present were:

Chuck Adams	District Manager
Craig Wrathell	President & Partner
Cleo Adams	Assistant Regional Manager
Jason Olson	Assistant Regional Manager
Dan Cox	District Counsel
Charlie Krebs	District Engineer
Carl Barraco	Barraco & Associates
Donna Feldman	Counsel for GreenPointe Holdings
Chris Dowaliby	Fire Chief
Roger Thornberry	Resident
Joe Lundquist	Resident
Joe Dominic	Resident

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Adams called the meeting to order at 3:30 p.m. All Supervisors were present, in person.

SECOND ORDER OF BUSINESS

Public Comments (3 minutes per speaker)

Mr. Roger Thornberry, a resident, asked if the District Manager and District Counsel had a contractual agreement with GreenPointe Holdings (GreenPointe) and would receive funds if the District proceeded with the bond issue proposal. If so, he voiced his opinion that any further action should be suspended until independent, outside counsel could be obtained, as he felt that it was a conflict of interest. Mr. Cox stated he had no arrangement with GreenPointe. Mr. Adams stated Management had no arrangement with GreenPointe but Management would receive fees for this type of issuance, as outlined within the agreement with the District.

Mr. Asfour stated Mr. Thornberry's question needed clarification in that he was asking whether Management and District Counsel would be compensated if the District proceeded with this bond issue. In the event of a bond issue, the agreement stated, Management would be paid \$25,000; unaware if Mr. Cox would receive compensation, Mr. Asfour read from Mr. Cox's email response, as follows:

"My fee for issue as Counsel Opinion is \$10,000 plus .05% of all amounts over \$1 million. This is the formula used by U.S.D.A. Rural Development for Calculation of Issuer's Counsel Fees for Bonds they insure."

Mr. Asfour surmised that District Counsel would receive \$55,000 on a \$10 million bond issue, comprised of \$10,000 for the first \$1 million plus .05% of \$9 million and the payments would come from the bond proceeds, if bonds are issued. He felt that there was a conflict of interest. Mr. Cox stated that his services were to provide a legal opinion, not the pros and cons of whether to issue bonds. Each bond has an Issuer's Counsel, who reviews the documents, on the District's behalf, and writes an opinion letter; those fees are based on formulas; the USDA Rural Development formula was used to calculate that fee, which was considered reasonable.

Mr. Thornberry asked how the Board could expect District Counsel and District Management to provide impartial advice about whether this bond would be beneficial to the residents paying the bonds if they have a monetary incentive to proceed with the issuance. Regarding his advice to the Board, Mr. Cox stated his advice was that what the Board was doing was making a legislative decision, which the Courts review on the basis of whether the decision is rational and whether it is fair and reasonable and whether it is justified. The Board has great latitude in reaching a decision, as long as it has a rational basis for it, and that it is not arbitrary or capricious. It is a subjective, legal standing and the lowest level of scrutiny that judges apply when reviewing actions by a governmental entity.

Mr. Asfour recalled objecting to Mr. Cox's advice at the last meeting and that he asked the Board to obtain a second opinion when told it would be considered arbitrary and capricious if the Board speculated on several factors, such as the possibility of the economy taking a downturn, the reputation of the Developer, etc., in their decision making process. Mr. Cox explained that speculation is based on information not in the record. Mr. Asfour stated he would place it in the record.

Relative to his fee if the bond is issued, Mr. Cox explained the services he provides, which is to confirm to the bond purchaser that the bond is valid; the same as Bond Counsel's

opinion would confirm that all tax laws were followed. Mr. Asfour stated the issue was not the fee. Mr. Cox stated the Board was questioning whether his fee was influencing his advice to the Board, which he found offensive. He stated that, in the last twenty-one years, he has never been told he was acting contrary to his responsibility to his clients. Mr. Asfour expressed his opinion that, being a new board from when they were hired, District Management and District Counsel should have disclosed this information up front rather than having to be asked, regardless of whether that information was included in their engagement letters.

Mr. Craig Wrathell, President and Partner of Wrathell, Hunt and Associates, LLC (WHA), stated District Management has and always would be open and honest and never try to hide any information. The information was included in WHA's original agreement and was presented when hired through the formal Request for Proposals (RFP) process four years ago. He intentionally attended the last meeting, in person, to make certain the Board understood, in detail, the Assessment Methodology Report covering the payoff of the A2 bonds, capitalized interest and debt service reserves, instead of delegating it to someone else. He attended other meetings with the Chair to go over and answer questions. From WHA's perspective, these fees are below market compared to the fees WHA normally receives in bond deals.

Mr. Stark voiced his opinion that these discussions were more about credibility and openness, instead of the value of the fee. He recalled the incident last year where District Management diligently worked about five to six months on the withdrawal of the development area to form a new CDD but never told the Board. He felt that it was a conflict when District Management was working to withdraw lands under this Board's governance without notifying the Board, which he felt was a credibility issue. Mr. Wrathell stated Management played an observer's role and that the Developer's Counsel took the lead with regard to withdrawing property from the District. Mr. Asfour stated District Management wrote a Report and contended that District Management was not just a bystander and, when told the land was within the District's boundaries, Mr. Adams' response was that it was not but it was and Mr. Adams told him he did not think it was important to mention that he was working with GreenPointe on the formation of the CDD. Everyone but the Board knew someone was working on behalf of GreenPointe, which should have been full disclosure. Regarding Mr. Wrathell meeting with the Chair to discuss the questions a few Board Members submitted to Landowner's Counsel, he read Mr. Metcalfe's email, as follows:

“In your Board package the Section titled Questions and Concerns for CDD 2019 Bonds was submitted to Chuck Adams by me as an attachment to an email. Chuck and others found them of sufficient interest to ask me to sit down and discuss these prior to the meeting, to not only answer said questions but also answer any additional questions I might have after hearing the answers. I agreed to sit down with the understanding that the questions would be sent to you in the package for your review prior to the meeting and open for you to pursue answers at the meeting. On Wednesday October 30th I met with Chuck Adams, Craig Wrathell, Dan Cox by phone, Carl Barraco and Donna Feldman, Counsel for the Landowner. I found the meeting to be educational for me and also a forum to express my dissatisfaction with the past board meeting. Based on the letter by Feldman in our Board package I would have to say she heard my concerns and has dramatically changed their proposal. I agreed to this meeting to help move this bond issue forward and not to try to gain some advantage position within the Board.”

Mr. Asfour believed Staff should have urged Mr. Metcalfe not to meet independently and to have questions addressed at the meeting with all Board Members in attendance.

Mr. Stark asked to reposition agenda items to avoid deferring items and to suspend public comments until Fire Chief Dowaliby makes his presentation.

On MOTION by Mr. Stark and seconded by Mr. Asfour, with all in favor, addressing the Seventh, Eighth, Ninth and Tenth Orders of Business, between the Third and Fourth Orders of Business, was approved.

Mr. Joe Lundquist, a resident, objected to suspending public comments as he was leaving soon. He concurred with Mr. Asfour’s opinion that Mr. Metcalf should not have held a meeting without the rest of the Board present.

THIRD ORDER OF BUSINESS

Presentation: Activities Surrounding Manning and Construction of New Fire House and the River Hall Community [Fire Chief Chris Dowaliby, Fort Myers Shores Fire Department]

RIVER HALL CDD

November 7, 2019

Fire Chief Chris Dowaliby, of the Fort Myers Shores Fire Department, distributed his business card and invited anyone with concerns or questions about the Fire Department to visit him at the fire house. He detailed his extensive experience and knowledge of the community, historical data about the community, including its existing facilities, services and future construction projects in the surrounding area that would increase the population by 2025. He discussed millage, fund reserves, having no debt service, and the funding needed to warrant constructing a new fire house, which would require additional staff, and the ability to run a paramedic service to provide various levels of services that do not currently exist. Construction of a new station was on hold until there are sufficient funds to keep it staffed and running.

Mr. Joe Dominic, a resident, asked Chief Dowaliby's opinion of whether the fire station, with its present services, can cover the community safely and efficiently with all the new construction or if the River Hall community is unsafe. Chief Dowaliby stated that, through the automatic mutual aid host initiative, engines from Tyson or Alva would respond, if the entire Fort Myers Shores fire station was out on calls and unable to respond. River Hall is outside the five minute response window, which was why they requested another station in 2004.

Discussion ensued regarding whether the County should assess the Developer for each lot to raise sufficient funds to construct the facility, impact fees, whether the new bridge being constructed out of Hampton Lakes might be included as part of the automatic mutual aid protocol and whether a millage increase would allow the County to build, equip and man a new station. Chief Dowaliby would give a PowerPoint presentation at the next meeting.

This item was deferred to the next meeting.

On MOTION by Mr. Stark and seconded by Mr. Asfour, with all in favor, amending the prior motion to address the Seventh, Eighth, Ninth and Tenth Orders of Business, between the Third and Fourth Orders of Business to include the Sixth Order of Business, was approved.

- **Consideration of Resolution 2020-04, Relating to the Amendment of the Annual Budget for the Fiscal Year Beginning October 1, 2018 and Ending September 30, 2019; and Providing for an Effective Date**

This item, previously the Sixth Order of Business, was presented out of order.

Mr. Adams presented Resolution 2020-04. The budget amendment was necessary to prevent a finding in the audit.

On MOTION by Mr. Morash and seconded by Mr. Mitchell, with all in favor, Resolution 2020-04, Relating to the Amendment of the Annual Budget for the Fiscal Year Beginning October 1, 2018 and Ending September 30, 2019; and Providing for an Effective Date, was adopted.

▪ **Update: Perimeter Access Control Initiatives**

This item, previously the Seventh Order of Business, was presented out of order.

• **Consideration of Morrison Equipment Quote**

Mrs. Adams presented the Morrison Equipment proposal for an industrial gate.

Mr. Morash suggested changing the location of the proposed gate to the corner of the Portico property and the actual boundary of Hampton Lakes, which would not require the purchase of a barrier fence. Mr. Krebs stated he was waiting for a second proposal from MAJ and agreed with the location change. This expense was approved and would be booked to the construction fund to prevent deferring this to the next meeting.

On MOTION by Mr. Morash and seconded by Mr. Mitchell, with all in favor, relocating the gate to the corner of the Portico property and actual boundary of Hampton Lakes, rather than the original location, was approved.

On MOTION by Mr. Morash and seconded by Mr. Mitchell, with all in favor, authorizing District Staff to award the contract to the lowest bidder, for the installation of an industrial gate, in a not-to-exceed amount of \$20,430, was approved.

▪ **Update: SR 80 Waterline Drainage Issue**

This item, previously the Eighth Order of Business, was presented out of order.

There was no update.

▪ **Acceptance of Unaudited Financial Statements as of September 30, 2019**

This item, previously the Ninth Order of Business, was presented out of order.

Mr. Adams presented the Unaudited Financial Statements as of September 30, 2019.

The financials were accepted.

▪ **Approval of October 3, 2019 Regular Meeting Minutes**

This item, previously the Tenth Order of Business, was presented out of order.

Mr. Adams presented the October 3, 2019 Regular Meeting Minutes. The following changes were made:

Line 218: Change "its rights" to "the bond proposal"

Line 275: Delete "Supervisor Mitchell would attend via telephone."

Mr. Mitchell stated that he was having difficulty hearing the meeting via telephone; as a result, a high-tech speaker system that works with cell phones would be purchased.

On MOTION by Mr. Morash and seconded by Mr. Mitchell, with all in favor, the October 3, 2019 Regular Meeting Minutes, as amended, were approved.

▪ **Public Comments Continued Resumed (3 minutes per speaker)**

There being no further public comments, the next item followed.

FOURTH ORDER OF BUSINESS

Presentation: RH Venture Revised Request to Issue Bonds

Ms. Donna Feldman, of GreenPointe, presented the memorandum reflecting the modified request of RH Venture II, LLC and RH Venture III, LLC (collectively, RH Venture) to petition the CDD Board to issue bonds to finance infrastructure on the lands that they own. The memorandum addresses the Supervisors' comments and questions from the last meeting. She highlighted the following regarding the request for a bond issuance:

- Requests issuing bonds on 332, 50' lots, referred to as Assessment Area 3, anticipated as the next phase of Hampton Lakes in the site plan currently being reviewed by the County.
- Parcel C, Parcel Z and the commercial property were eliminated from the original request. Assessment Area 4, future lands east of the 332 lots, would not be created at this time.

Ms. Feldman stated that the Assessment Methodology Report would be comprised of a single assessment, instead of multi-layered, and the Bond Purchase Contract, Supplemental Bond Trust Indenture and Preliminary Limited Offering Memorandum (PLOM) would be presented in December but provided for review prior to the next meeting.

FIFTH ORDER OF BUSINESS

Review and Discussion of Bond Related Questions Submitted by Board Members Following Prior Meeting

Ms. Feldman highlighted details about the proposed bonds in response to the questions raised at the last meeting and in written comments received from Board Members:

- Capitalized Interest/Reserve Fund Accounts: Both are required. The term of capitalized interest account would be one year. The reserve account would be used only in cases of delinquency. The Bond Underwriter and the bond purchasers would negotiate the terms and determine the amounts required for each account.
- Completion and Funding Agreement: An existing Agreement prepared by Mr. Cox was used as a sample of the type of agreement that would be entered into with this bond issuance; it allows utilizing some of the existing construction account funds to complete improvements.
- A simplified supplemental Engineer's Report describing the new bond issuance would be presented, at the next meeting, along with the other documents.

Mr. Asfour read the 4th line sentence, of Section 3C, on Page 3 of the Infrastructure Improvements Funding, Construction and Acquisition Agreement. Ms. Feldman confirmed that, if the money does not finish the project, the District would not be obligated to fund the project; rather, the Landowner would fund completion of the new project.

- Concerns over the enforceability of the Agreement. The bankruptcy court discharged the 2005 Completion and Funding Agreement when RH Venture elected not to assume it when, through a bidding process, it entered into the 2010 Purchase Agreement for the remainder of River Hall project. The Agreements are enforceable and bind the party who enters into them. If sold, the buyer would assume the obligation or the owner would still be responsible; the only exception to this would be bankruptcy.
- True-up Agreement: The Landowner would pay the District the difference between platted, developed, sold lots and undeveloped lots.
- Collateral Assignment: This document was initiated after the recession, as a failsafe, whereby, the Developer assigns as collateral to the District all the permits, plans and approvals associated with the project for which the bonds were issued. If, by chance, the District forecloses on its Operations & Maintenance (O&M) lien or the bondholders direct the District to foreclose on the Principal and Interest (P&I) lien, another entity can come in and finish the development because they have the body of permit rights associated with the bonds.

Mr. Morash asked if residents would be affected if the Developer stopped paying the P&I on the bonds. Ms. Feldman replied no, they are not responsible for those P&I payments, nor would they lose their property. The lien securing the P&I assessments is only on the 332

lots owned by the Landowner. If the P&I were not paid, first the reserves would be used to make the payments and, once exhausted, the next direction is stated in the Trust Indenture.

THE FOLOWING SECTION WAS TRANSCRIBED VERBATIM AT MR. ASFOUR'S REQUEST

Mr. Asfour: I got a question about what Mike just brought up and I think to extend that a little further, if there was a bankruptcy, if there was a problem me saying that the residents would not have to pay anything, the Board would not have to pay anything, but I think what is being overlooked is that during the recession, that CDDs were in financial straits and the residents did suffer as a result of that because O&M was not paid, etc., so they were not able to get the services. So to say that you are not going to be affected, I think is not quite accurate, if something happens, because it has happened in the past. That is what happened with CDDs; it is well documented. I believe Chuck and Dan have represented CDDs that have had problems with that so, to clarify, as far as directly, can they come after us to get the bond payments, no, but indirectly could we suffer because we are not getting the services as a result of the bankruptcy, the answer is yes. But let me go ahead, you brought something up that was interesting and I was trying to find this document and I could not. I am looking at the contract for sale that you reference and it says here "CDD developer obligations" and I read this into the record last month:

"Buyer acknowledges the Sellers in its capacity as Developer entered into those certain agreements and commitments identified as Exhibit F, attached hereto pertaining to the establishment, operation of the CDD and the issuance of the CDD bonds, collectively the CDD Developer Agreements. At closing Seller shall assume and then assign the buyer and buyer shall assume from Sellers those CDD Developer Agreements which are included in the assumed obligations. Such assignment and assumption shall be included in one or more of the assignment and Assumption Agreements."

Now of course that Appendix F lists the Completion Agreement and what you are telling me is that the CDD Developer Obligations, which is in the contract, what you are saying is that at a later time the purchaser decided not to abide by this is that the Assignment and Assumption Agreement you are referring to.

Ms. Feldman: No, I am referring to...I believe you are reviewing Section 3b or 7b.

Mr. Asfour: 7b.

Ms. Feldman: Correct, so the term assumed agreements, which is capitalized in that paragraph, I believe that is defined, I believe you need to go back to Section 3b in which that term is defined.

Mr. Asfour: Assumed obligation means what? Do you have it there? I do not have it fully.

Ms. Feldman: I do not have the agreement. I read it before I came here, at home. If you go back to Section 3b, it talks about a process whereby the buyer reviewed various agreements, including the CDD developer agreements, to determine what the buyer would assume and what the buyer decided it would assume became the capitalized assumed agreements or assumed obligations. That is the process.

Mr. Asfour: Why is this paragraph in here if it does not apply?

Ms. Feldman: It does apply. Let me say it again.

Mr. Asfour: Okay I will go back and read 3b to see what assumed obligations is.

Ms. Feldman: It says that...the paragraph you are reading says that the buyer will assume those CDD developer agreements, which are capital assumed agreements. Right?

Mr. Asfour: It does not say capitalized assumed, it says assumed obligations. It is not capitalized.

Mr. Adams: Did the statements not capitalize?

Mr. Asfour: Those CDD developer agreements, which are included in the assumed obligations, A is capitalized. O is capitalized but not the entire thing.

Ms. Feldman: Correct, assume obligations is the term. That term is defined in Section 3b.

Mr. Asfour: 3b, okay, I will look that up but, again, this seems like it would conflict with that particular section but I will read it again, just to make sure I understand it.

Ms. Feldman: Okay.

Mr. Asfour: I will address this again at bit later.

SUMMARY TRANSCRIPTION RESUMED

A Board Member asked Ms. Feldman to clarify where the funds would come from if there was a failure and the CDD was the full bondholder.

Ms. Feldman gave an overview of the Bond Indenture, which states that, if the bondholder is causing the foreclosure, the Trustee would use the trust accounts to pay the P&I assessments. The CDD would not be required to come up with the funds or pursue the

assessments on behalf of the bondholders. The bondholder, District Counsel, Bond Counsel and Trustee Counsel would determine the best course of action of whether to foreclose or not.

Mr. Wrathell stated the debt service reserve was created for the purposes of missed payments on the bonds and, as a result of the recession, the bondholders, knowing they would have to pay for the foreclosure, kept a large amount of funds in the accounts instead of depleting the accounts to make payments, which was typical.

Mr. Asfour asked, if the assumed obligations were to complete the infrastructure, who was going to complete the infrastructure, if it was not going to be Ms. Feldman's client. Ms. Feldman stated the Completion Agreement was not an assumed obligation. Mr. Asfour contended that, if Ms. Feldman's client was not assuming the Completion Agreement, then it means they are not going to complete the infrastructure. Ms. Feldman stated that the original infrastructure was not going up, the buyer restructured the bonds and any connection with the restructuring then entered into a new agreement and prepared the path to do what they are doing right now. There is no new Infrastructure Agreement but the plan was to restructure the bonds, which was completed in 2011, wait for the market to come back, sell out the lots sitting on the books that are already platted and developed before doing anymore work and then get ready to start developing again. Once they were ready to commence development they would enter into a new Infrastructure Agreement. With this bond issuance, another Infrastructure Agreement would be entered into. Mr. Asfour read the last sentence of Paragraph 2 on Page 2 of the Infrastructure Improvements Funding Construction and Acquisition Agreement and voiced his opinion that, based on the verbiage, Ms. Feldman's client was not guaranteeing to finish any infrastructure. Ms. Feldman replied affirmatively and stated her client was not guaranteeing to complete the old infrastructure; however, in the new agreement, as to that infrastructure, her client would guarantee, as it is typical with a new bond issuance.

Mr. Asfour believed that, at the last meeting, Ms. Feldman stated they negotiated out of the Completion Agreement. Ms. Feldman stated, at the last meeting, she was trying to clarify that her client did not assume the old Infrastructure Agreement but entered into a new agreement to do some of the work that was set up long before her client was involved. They did not guarantee they would complete the work; rather, they said they would do the work as they go and request disbursements as the work is completed. When the new bonds are issued for a new community, her client would execute a new and separate Completion Agreement,

RIVER HALL CDD**November 7, 2019**

which states that, if there are not enough bond proceeds to complete that improvement project, her client would complete it and pay for it. The only thing that would prevent completion would be bankruptcy. She provided historical data about the project that commenced in 2004 and 2005 and continued through 2007 and identified who the original developers were, which included LandMar Group and its parent companies, Crescent Resources, which ultimately went bankrupt. She noted Mr. Ed Burr was involved with that entity but was removed from the entity and the project in 2007 when other investors, which she listed, came into Crescent Resources. In 2009, Crescent Resources put all their entities throughout the country into bankruptcy and choose to put a few projects, River Hall being one, on the bid block. In 2010, Mr. Burr, through the entity GreenPointe, bid on the project and purchased it through that entity. In 2011, RH Venture restructured the bonds so they were no longer in default. In 2011, the A1 bonds covered the resident lots and the A2 bonds covered the undeveloped land. RH Venture paid \$8 million in P&I to keep these bonds current and \$2.5 million in O&M expenses assessments have been paid and are current to date. In 2014, they recapitalized and brought in their current venture partner, all while selling the lots; whereby, all 50' lots in Hampton Lakes were now sold and ready to develop. The point of providing this history was to explain that the group who put this project into bankruptcy was no longer involved; the group now had nothing to do with the bankruptcy except to purchase this project and seek to salvage it. The bonds to be issued now are assigned to undeveloped lands and are not within any Homeowners Association (HOA). The Declaration of Covenants was initiated once the project started and the initial area was subject to it, which typically is the first area that is platted; however, any future areas may or may not be added to the Declaration.

Ms. Feldman provided the recorded Declaration of Covenants and the Exhibits for Hampton Lakes that are subject to the two HOA Declarations and nothing else. The initial Declaration described the lands, 294.72 acres for the Phase 1 Hampton Lakes plat, and the 2006 recorded Supplemental Declaration described the lands, 296.62 acres that adds the Phase 2 plat for Hampton Lakes. All documents were recorded and could be obtained online from the County Clerk's office. The River Hall Country Club was included in the Phase 1 plat. Once the 332 lots are platted and added to Hampton Lakes, another Supplement would be recorded with the County; beyond that, her client has no plans for east of that area and were not asking for bonds to be issued on that land. If and when they know, they would present a request.

Mr. Asfour recalled the District filed a claim in the bankruptcy court using the Completion Agreement between Hawk's Haven to demonstrate it was entitled to about \$9 million in funds from the bankruptcy and Mr. Barraco also submitted to the court a list of incomplete infrastructure improvements at the time of the bankruptcy that justified why the District was entitled to the money. He believed that the draft Settlement documents he was provided stated GreenPointe was responsible for completing the infrastructure and contended that his documents differed from the court documents Mr. Cox had, which stated the settlement eliminated any obligation on the part of GreenPointe to complete the infrastructure. Mr. Asfour's position was for GreenPointe to finish the original infrastructure that was submitted to the bankruptcy court before requesting any additional bonds.

Mr. Asfour motioned to defer any bond issue request until the Landowner completes the uncompleted infrastructure, as detailed in the document prepared by the District Engineer and submitted to the Bankruptcy Court in 2014, as part of the claim the CDD had against the previous developer. Mr. Stark seconded the motion. Mr. Morash gave historical data about the District receiving funds from the bankruptcy and the Developer-controlled Board not awarding the contract to complete the improvements before it turned into a resident-controlled Board. He felt that, for the sake of the community and property values, they should consider getting the project completed. He did not agree with Mr. Asfour's approach.

A Board Member asked if there was a binding obligation for someone to complete the infrastructure in the future. Mr. Asfour replied no and stated the bond issue is debt on the CDD and wanted a commitment from the Landowner to finish what he believed they committed to in the Agreement, since, in his opinion, the Landowner does not need these funds to complete the infrastructure and was only requesting it as a business decision.

A Board Member wanted to obtain a second opinion since Mr. Asfour and Mr. Cox had bankruptcy documents with different verbiage, he. Mr. Cox asked if he wanted a first opinion before pursuing a second. The Board Member stated he was asking for independent counsel.

Mr. Asfour reread his motion and withdrew it.

Mr. Mitchell motioned to pursue a second opinion on the 2014 bankruptcy court filings.

A Board Member stated he heard there was nothing in writing about what occurred in court or the \$2 million. Mr. Cox stated there was a lot of documentation in the file but those hearings are not typically transcribed. They could not to change the document filed in court.

Mr. Mitchell withdrew his motion.

RIVER HALL CDD

November 7, 2019

Mr. Asfour reinstated his earlier motion. The motion died due to lack of a second.

Mr. Wrathell asked the Board to clearly articulate the areas of concern and provide direction so the Methodology Report can be prepared correctly. Mr. Metcalfe listed items he wanted addressed, such as that there is no indication that the District is paying off existing bonds; there was no wording in the Bond Authorization implying that the CDD is responsible for the bonds and to have the Engineer’s Report address the details of the road exit to ensure the District is not creating a trespass problem. Mr. Cox stated the District is obligated to consent to what special assessments they are trying to collect.

Mr. Metcalfe asked Mr. Barraco to revise items in Attachment B1, requesting that security is provided for the whole community, which includes all the roads and canals and not just optional security of a gate for the bridge intersection at Hampton Lakes and to comment about the cost of constructing the bridge decreasing significantly and to provide the individual construction costs for each street to ensure funds are assigned and used for each project.

Mr. Barraco confirmed that a gate would be installed at the entrance and one beyond the gate to prevent motorcycles from accessing the area; the cost difference of the bridge was due to shoring up details with the Zoning Department and did not include the cost of a gate.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2020-04, Relating to the Amendment of the Annual Budget for the Fiscal Year Beginning October 1, 2018 and Ending September 30, 2019; and Providing for an Effective Date

This item was presented following the Third Order of Business.

SEVENTH ORDER OF BUSINESS

Update: Perimeter Access Control Initiatives

This item was presented following the Third Order of Business.

EIGHTH ORDER OF BUSINESS

Update: SR 80 Waterline Drainage Issue

This item was presented following the Third Order of Business.

NINTH ORDER OF BUSINESS

Acceptance of Unaudited Financial Statements as of September 30, 2019

This item was presented following the Third Order of Business.

TENTH ORDER OF BUSINESS

Approval of October 3, 2019 Regular Meeting Minutes

This item was presented following the Third Order of Business.

ELEVENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel: *Daniel H. Cox, P.A.*

There being no report, the next item followed.

B. District Engineer: *Hole Montes*

There being no report, the next item followed.

C. District Manager: *Wrathell, Hunt and Associates, LLC*

There being no report, the next item followed.

D. Operations Manager: *Wrathell, Hunt and Associates, LLC*

There being no report, the next item followed.

- **NEXT MEETING DATE: December 5, 2019 at 3:30 p.m.**
 - **QUORUM CHECK**

The next meeting would be held December 5, 2019 at 3:30 p.m.

TWELFTH ORDER OF BUSINESS

Public Comments: Non-Agenda Items (3 minutes per speaker)

There being no public comments, the next item followed.

THIRTEENTH ORDER OF BUSINESS

Supervisors' Comments/Requests

There being no Supervisor's Comments/Request, the next item followed.

FOURTEENTH ORDER OF BUSINESS

Adjournment

There being no further business to discuss, the meeting adjourned.

On MOTION by Mr. Metcalfe and seconded by Mr. Morash, with all in favor, the meeting adjourned at 6:20 p.m.

ATTACHMENT

“O”

TO JUNE 22, 2020 MEMORANDUM

EXCERPT FROM SEPTEMBER 26, 2019 DRAFT PRELIMINARY OFFERING MEMORANDUM

[pages 42-43]

THE LANDOWNER

All of the land subject to the 2019A Assessments is owned by RH Venture II, LLC, a Florida limited liability company ("Landowner"). The Landowner is wholly-owned by River Hall Investment Group, LLC, a Delaware limited liability company ("RHIG"). The members of RHIG are River Hall Recovery Acquisition, LLC, a Delaware limited liability company, and RH Venture I, LLC, a Florida limited liability company ("RH Venture I"), which is also the manager of the Landowner.

RH Venture I is wholly owned by GreenPointe Ventures, LLC, a Delaware limited liability company ("GreenPointe Ventures"). GreenPointe Holdings LLC, a Florida limited liability company ("GreenPointe"), is the majority owner of GreenPointe Ventures.

GreenPointe was founded by Edward E. Burr in 2008 with a charge to create livable communities of lasting value that fit the needs of today's homebuyers. Prior to leading GreenPointe, Burr founded the LandMar Group, LLC in 1987 and led the company's creation of master-planned, award-winning communities in Florida and coastal Georgia. Under his leadership, LandMar acquired, designed, entitled and developed more than 30 master-planned communities and developments. GreenPointe and each of its divisions are led by veterans of land and community development, homebuilding, lifestyle and amenities management, equity and debt financing, and infrastructure development. The GreenPointe team's collective experience includes raising and investing more than \$800 million to develop 100,000 acres of land, build 80,000 homesites and construct 30,000 homes. GreenPointe and its partners own twelve (12) Florida communities totaling approximately 8,000 single-family lots and several hundred acres of land entitled for multi-family residential, residential condominium, hotel, retail and office use.

2020 FLORIDA LIMITED LIABILITY COMPANY ANNUAL REPORT

DOCUMENT# L12000066889

Entity Name: RH VENTURE III, LLC

Current Principal Place of Business:

7807 BAYMEADOWS ROAD EAST
SUITE 205
JACKSONVILLE, FL 32256

Current Mailing Address:

7807 BAYMEADOWS ROAD EAST
SUITE 205
JACKSONVILLE, FL 32256 US

FEI Number: NOT APPLICABLE

Certificate of Status Desired: No

Name and Address of Current Registered Agent:

FELDMAN & MAHONEY, P.A.
2240 BELLEAIR ROAD
SUITE 210
CLEARWATER, FL 33764 US

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE: DONNA J. FELDMAN 03/26/2020
Electronic Signature of Registered Agent Date

Authorized Person(s) Detail :

Title	<u>AUTHORIZED MEMBER</u>	Title	PRES
Name	<u>RH VENTURE I, LLC</u>	Name	BURR, EDWARD E.
Address	7807 BAYMEADOWS ROAD EAST SUITE 205	Address	7807 BAYMEADOWS ROAD EAST SUITE 205
City-State-Zip:	JACKSONVILLE FL 32256	City-State-Zip:	JACKSONVILLE FL 32256
Title	VP		
Name	MIARS, GRAYDON E.		
Address	7807 BAYMEADOWS ROAD EAST SUITE 205		
City-State-Zip:	JACKSONVILLE FL 32256		

I hereby certify that the information indicated on this report or supplemental report is true and accurate and that my electronic signature shall have the same legal effect as if made under oath; that I am a managing member or manager of the limited liability company or the receiver or trustee empowered to execute this report as required by Chapter 605, Florida Statutes, and that my name appears above, or on an attachment with all other like empowered.

SIGNATURE: EDWARD E. BURR PRESIDENT 03/26/2020
Electronic Signature of Signing Authorized Person(s) Detail Date

2020 FLORIDA LIMITED LIABILITY COMPANY ANNUAL REPORT

DOCUMENT# L11000050031

FILED
Mar 26, 2020
Secretary of State
6133812682CC

Entity Name: RH VENTURE II, LLC

Current Principal Place of Business:

7807 BAYMEADOWS ROAD EAST
SUITE 205
JACKSONVILLE, FL 32256

Current Mailing Address:

7807 BAYMEADOWS ROAD EAST
SUITE 205
JACKSONVILLE, FL 32256 US

FEI Number: NOT APPLICABLE

Certificate of Status Desired: No

Name and Address of Current Registered Agent:

FELDMAN & MAHONEY, P.A.
2240 BELLEAIR ROAD
SUITE 210
CLEARWATER, FL 33764 US

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE: DONNA J. FELDMAN, ESQ.

03/26/2020

Electronic Signature of Registered Agent

Date

Authorized Person(s) Detail :

Title AUTHORIZED MEMBER
Name RH VENTURE I, LLC
Address 7807 BAYMEADOWS ROAD EAST
SUITE 205
City-State-Zip: JACKSONVILLE FL 32256

Title PRESIDENT
Name BURR, EDWARD E
Address 7807 BAYMEADOWS ROAD EAST
SUITE 205
City-State-Zip: JACKSONVILLE FL 32256

Title VP
Name MIARS, GRAYDON E.
Address 7807 BAYMEADOWS ROAD EAST
SUITE 205
City-State-Zip: JACKSONVILLE FL 32256

I hereby certify that the information indicated on this report or supplemental report is true and accurate and that my electronic signature shall have the same legal effect as if made under oath; that I am a managing member or manager of the limited liability company or the receiver or trustee empowered to execute this report as required by Chapter 605, Florida Statutes; and that my name appears above, or on an attachment with all other like empowered.

SIGNATURE: EDWARD E. BURR

PRESIDENT

03/26/2020

Electronic Signature of Signing Authorized Person(s) Detail

Date

2020 FLORIDA LIMITED LIABILITY COMPANY ANNUAL REPORT

DOCUMENT# L10000104808

Entity Name: RH VENTURE I, LLC

Current Principal Place of Business:

7807 BAYMEADOWS ROAD EAST
SUITE 205
JACKSONVILLE, FL 32256

Current Mailing Address:

7807 BAYMEADOWS ROAD EAST
SUITE 205
JACKSONVILLE, FL 32256 US

FEI Number: 27-3664317

Certificate of Status Desired: No

Name and Address of Current Registered Agent:

FELDMAN & MAHONEY, P.A.
2240 BELLEAIR ROAD
SUITE 210
CLEARWATER, FL 33764 US

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE: DONNA J. FELDMAN, ESQ.

03/26/2020

Electronic Signature of Registered Agent

Date

Authorized Person(s) Detail :

Title MANAGER
Name GREENPOINTE COMMUNITIES, LLC
Address 7807 BAYMEADOWS ROAD, EAST,
#205
City-State-Zip: JACKSONVILLE FL 32256

Title PRES
Name BURR, EDWARD E
Address 7807 BAYMEADOWS ROAD, EAST
#205
City-State-Zip: JACKSONVILLE FL 32256

Title VP
Name MIARS, GRAYDON E
Address 7807 BAYMEADOWS ROAD, EAST,
#205
City-State-Zip: JACKSONVILLE FL 32256

Title AUTHORIZED MEMBER
Name GREENPOINTE COMMUNITIES
Address 7807 BAYMEADOWS ROAD EAST
SUITE 205
City-State-Zip: JACKSONVILLE FL 32256

Title MEMBER
Name BURR, EDWARD E.
Address 7807 BAYMEADOWS ROAD EAST
SUITE 205
City-State-Zip: JACKSONVILLE FL 32256

Title AUTHORIZED MEMBER
Name ORENDER, CARNACE M.
Address 7807 BAYMEADOWS ROAD EAST
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City-State-Zip: JACKSONVILLE FL 32256

Title SECRETARY
Name RUSNAK, CHRIS
Address 7807 BAYMEADOWS ROAD EAST
SUITE 205
City-State-Zip: JACKSONVILLE FL 32256

Title TREASURER
Name RUSNAK, CHRIS
Address 7807 BAYMEADOWS ROAD EAST
SUITE 205
City-State-Zip: JACKSONVILLE FL 32256

I hereby certify that the information indicated on this report or supplemental report is true and accurate and that my electronic signature shall have the same legal effect as if made under oath; that I am a managing member or manager of the limited liability company or the receiver or trustee empowered to execute this report as required by Chapter 605, Florida Statutes; and that my name appears above, or on an attachment with all other like empowered.

SIGNATURE: EDWARD E. BURR

PRESIDENT

03/26/2020

Electronic Signature of Signing Authorized Person(s) Detail

Date

2020 FLORIDA LIMITED LIABILITY COMPANY ANNUAL REPORT

DOCUMENT# L08000065559

Entity Name: GREENPOINTE COMMUNITIES, LLC

FILED
Mar 26, 2020
Secretary of State
3266823580CC

Current Principal Place of Business:

7807 BAYMEADOWS ROAD EAST
SUITE 205
JACKSONVILLE, FL 32256

Current Mailing Address:

7807 BAYMEADOWS ROAD EAST
SUITE 205
JACKSONVILLE, FL 32256 US

FEI Number: 26-3303023

Certificate of Status Desired: No

Name and Address of Current Registered Agent:

FELDMAN & MAHONEY, P.A.
2240 BELLEAIR ROAD
STE 210
CLEARWATER, FL 33764 US

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE: DONNA J. FELDMAN, ESQ.

03/26/2020

Electronic Signature of Registered Agent

Date

Authorized Person(s) Detail :

Title MANAGER
Name GREENPOINTE HOLDINGS, LLC
Address 7807 BAYMEADOWS ROAD, EAST
STE #205
City-State-Zip: JACKSONVILLE FL 32256

Title PRES
Name MIARS, GRAYDON E
Address 7807 BAYMEADOWS ROAD, EAST
STE #205
City-State-Zip: JACKSONVILLE FL 32256

Title CEO
Name BURR, EDWARD E
Address 7807 BAYMEADOWS ROAD EAST
SUITE 205
City-State-Zip: JACKSONVILLE FL 32256

Title VP
Name TAYLOR, MICHAEL
Address 7807 BAYMEADOWS ROAD EAST
SUITE 205
City-State-Zip: JACKSONVILLE FL 32256

Title VP
Name HARCROW, RICK
Address 7807 BAYMEADOWS ROAD EAST
SUITE 205
City-State-Zip: JACKSONVILLE FL 32256

Title VP
Name LYNCH, JOHN T. III
Address 7807 BAYMEADOWS ROAD EAST
SUITE 205
City-State-Zip: JACKSONVILLE FL 32256

Title AUTHORIZED MEMBER
Name GREENPOINTE HOLDINGS, LLC
Address 7807 BAYMEADOWS ROAD EAST
SUITE 205
City-State-Zip: JACKSONVILLE FL 32256

Title AUTHORIZED MEMBER
Name GRAYDON E. MIARS
Address 7807 BAYMEADOWS ROAD EAST
SUITE 205
City-State-Zip: JACKSONVILLE FL 32256

I hereby certify that the information indicated on this report or supplemental report is true and accurate and that my electronic signature shall have the same legal effect as if made under oath; that I am a managing member or manager of the limited liability company or the receiver or trustee empowered to execute this report as required by Chapter 605, Florida Statutes; and that my name appears above, or on an attachment with all other like empowered.

SIGNATURE: EDWARD E. BURR

CEO

03/26/2020

Electronic Signature of Signing Authorized Person(s) Detail

Date

2020 FLORIDA LIMITED LIABILITY COMPANY ANNUAL REPORT

DOCUMENT# L08000020397

Entity Name: GREENPOINTE HOLDINGS, LLC

Current Principal Place of Business:

7807 BAYMEADOWS ROAD EAST
SUITE 205
JACKSONVILLE, FL 32256

Current Mailing Address:

7807 BAYMEADOWS ROAD EAST
SUITE 205
JACKSONVILLE, FL 32256 US

FEI Number: 26-2179423

Certificate of Status Desired: No

Name and Address of Current Registered Agent:

FELDMAN & MAHONEY, P.A.
2240 BELLEAIR ROAD
STE 210
CLEARWATER, FL 33764 US

The above named entity submits this statement for the purpose of changing its registered office or registered agent, or both, in the State of Florida.

SIGNATURE: DONNA J. FELDMAN, ESQ.

03/26/2020

Electronic Signature of Registered Agent

Date

Authorized Person(s) Detail :

Title PRES
Name BURR, EDWARD E
Address 7807 BAYMEADOWS ROAD EAST STE
 205
City-State-Zip: JACKSONVILLE FL 32256

Title AUTHORIZED MEMBER
Name BURR, EDWARD E.
Address 7807 BAYMEADOWS ROAD EAST
 SUITE 205
City-State-Zip: JACKSONVILLE FL 32256

Title VP
Name MIARS, GRAYDON E.
Address 7807 BAYMEADOWS ROAD EAST
 SUITE 205
City-State-Zip: JACKSONVILLE FL 32256

Title AUTHORIZED MEMBER
Name MONIQUE A. BURR FAMILY TRUST
Address 7807 BAYMEADOWS ROAD EAST
 SUITE 205
City-State-Zip: JACKSONVILLE FL 32256

I hereby certify that the information indicated on this report or supplemental report is true and accurate and that my electronic signature shall have the same legal effect as if made under oath; that I am a managing member or manager of the limited liability company or the receiver or trustee empowered to execute this report as required by Chapter 605, Florida Statutes; and that my name appears above, or on an attachment with all other like empowered.

SIGNATURE: EDWARD E. BURR

PRESIDENT

03/26/2020

Electronic Signature of Signing Authorized Person(s) Detail

Date

ATTACHMENT

“P”

TO JUNE 22, 2020 MEMORANDUM



IT IS HEREBY ADJUDGED and DECREED that the below described is SO ORDERED.

Dated: September 28, 2010

Craig A. Gargotta
CRAIG A. GARGOTTA
UNITED STATES BANKRUPTCY JUDGE

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION**

In re	§	Chapter 11
	§	
CRESCENT RESOURCES, LLC, et al.,	§	
	§	Case No. 09-11507 (CAG)
Debtors.	§	
	§	
	§	Jointly Administered

MODIFIED ORDER PURSUANT TO SECTIONS 105(a), 363(b) AND 363(f) OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 6004 AUTHORIZING HAWK'S HAVEN DEVELOPERS, LLC AND HAWK'S HAVEN GOLF COURSE COMMUNITY DEVELOPERS, LLC TO SELL THE RIVER HALL PROJECT PURSUANT TO THAT CERTAIN MODIFIED PURCHASE AND SALE AGREEMENT FREE AND CLEAR OF CERTAIN LIENS, CLAIMS, ENCUMBRANCES, AND INTERESTS

Upon the motion (the "Motion") of Hawk's Haven Developers, LLC and Hawk's Haven Golf Course Community Developers, LLC, as debtors and debtors in possession (collectively, the "River Hall Debtors") pursuant to sections 105(a), 363(b) and 363(f) of the Bankruptcy Code¹ and Bankruptcy Rule 6004, requesting that the Court modify the River Hall Order, dated June 16, 2010 [Docket No. 1098] (the "River Hall Order") so as to authorize the

¹ All capitalized terms used but not defined herein shall have the same meanings ascribed to them in the Motion.

River Hall Debtors to (i) sell the River Hall Development in Lee County, Florida ("River Hall") to GreenPointe Communities, LLC (the "Purchaser"), pursuant to the terms of the River Hall Agreement as modified by that certain Seventh Amendment to Contract for Sale, dated September 17, 2010 (the "Amendment", and the River Hall Agreement, as modified by the Amendment, the "Modified River Hall Agreement"), as more fully set forth in the Motion; (ii) sell River Hall to the Purchaser free and clear of all liens, claims, encumbrances, and other interests, except the Tax² and CDD Liens; and (iii) proceed immediately with such sale notwithstanding the possible applicability of Bankruptcy Rule 6004(h); and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion and the Hearing (as defined below) having been provided to the Notice Parties and no further notice is necessary; and the Court having held a hearing to consider the requested relief (the "Hearing"); and upon the record of the Hearing, and all the proceedings before the Court, the Court finds and determines that the relief sought is in the best interests of the River Hall Debtors and their estates; and the Court finds and determines that the relief sought is an exercise of the River Hall Debtors' sound business judgment; and the Court finds and determines that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and upon sufficient cause appearing therefor, it is

ORDERED that the Modified River Hall Agreement, as amended by the Amendment, and all of the terms and conditions therein, are approved; and it is further

² For purposes of this Order, any reference to "Taxes" or "Tax Liens" shall include, but not be limited to those certain *ad valorem* property taxes due to and owing the Lee County, Florida tax collector with respect to the River Hall Project.

ORDERED that the River Hall Debtors are authorized to reduce the Purchase Price by \$750,000 in accordance with the Amendment; and it is further

ORDERED that the River Hall Debtors are authorized to sell River Hall pursuant to the Modified River Hall Agreement and effectuate the same pursuant to the revised closing conditions and closing deadlines set forth in the Amendment; and it is further

ORDERED that notwithstanding anything to the contrary in this Order, pending closing, the Purchaser shall be entitled to continue negotiations directly with the CDD and Taxing Authorities with respect to the amounts owed to such entities with respect to the River Hall project, and it being understood that after the Closing Date or the Extended Closing Date, as the case may be, the Purchaser shall continue to seek a modification and reduction of the CDD Assessments associated with River Hall, and to the extent the Purchaser successfully negotiates a reduction of the CDD Assessments at any time in the future, it shall pay the River Hall Debtors (or Crescent Resources, LLC), subject to the exceptions set forth in paragraph 2 of the Amendment, \$750,000; and it is further

ORDERED that the Purchaser is expressly assuming the responsibility for the satisfaction of the River Hall Taxes and Assessments pursuant to this Order and the terms of the Modified River Hall Agreement; and it is further

ORDERED that with the exception of the foregoing, nothing herein shall affect the remaining terms and conditions of the River Hall Order, with such terms and conditions being made applicable to the Modified River Hall Agreement, and which terms are reiterated herein; and it is further

ORDERED that pursuant to sections 363(b) and 363(f) of the Bankruptcy Code, and in accordance with the terms of the Modified River Hall Agreement, the River Hall Debtors

are authorized to (i) consummate the sale of River Hall to the Purchaser free and clear of any and all mortgages, liens, claims, encumbrances, except the Tax and CDD Liens (collectively, "Liens"), and with all such Liens to attach to the net proceeds of the sale of River Hall, with the same validity, force, effect, and priority as such Liens had immediately prior to the sale, subject to the rights and defenses of the River Hall Debtors and any party in interest with respect to any such asserted Liens and (ii) perform their obligations under and comply with the terms of the Modified River Hall Agreement; and it is further

ORDERED that any and all liens imposed by the CDD (the "CDD Liens") shall continue to represent first priority governmental liens *pari passu* with ad valorem taxes and superior to any other liens. Any and all past due, current, and future CDD Liens imposed by the CDD shall not be affected in any way by the Modified River Hall Agreement, this Order, or any final or supplemental sale order. Any CDD Liens, including but not limited to any unpaid special assessments levied by the CDD that would be collected directly by the CDD, shall remain on the property until paid pursuant to the terms of the CDD's assessment resolutions and applicable non-bankruptcy law. This Order shall not affect in any way the CDD's authority or right to enforce any CDD Liens against the real property within River Hall, the Purchaser, and any other future landowners of said real property consistent with the terms of the CDD's assessment resolutions and applicable law; and it is further

ORDERED that the River Hall Debtors are authorized to execute and deliver, and are empowered to perform under, consummate, and implement the Modified River Hall Agreement, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Modified River Hall Agreement, and to take all further actions as may be reasonably required for the purpose of assigning, transferring, granting,

conveying and conferring to the Purchaser or reducing to possession, the River Hall assets, or as may be necessary or appropriate to the performance of the obligations as contemplated by the Modified River Hall Agreement and to implement and effectuate the transactions contemplated by this Order; and it is further

ORDERED that, the holders of any mortgage or lien under the River Hall Debtors' prepetition secured financing facilities are directed to deliver partial releases and other instruments reasonably requested by the River Hall Debtors evidencing releases of their liens upon the request and at the expense of the River Hall Debtors as required under the terms of the applicable prepetition financing agreements; and it is further

ORDERED that the River Hall Debtors' title insurance agents and underwriters are authorized to provide title insurance without exception notwithstanding any statutory requirements requiring a "gap affidavit" or other documentation; and it is further

ORDERED that title agents and title insurance underwriters may rely upon the filing of a copy of this Order in Lee County, Florida to issue their title policies on properties located within each such county without exception to any Liens, except for the Tax and CDD Liens, whether asserted or unasserted, known or unknown; and it is further

ORDERED that effective upon the closing of the Modified River Hall Agreement and conditioned upon payment of the Closing Cure Payments (as defined below), the River Hall Debtors are authorized to assume and assign the River Hall Prepetition Contracts (as defined in the River Hall Order and the corresponding motion) listed on Exhibit 1 to this Order, which assumption and assignment is hereby approved; and execute and deliver to Purchaser such assignment documents as may be necessary to assign the River Hall Prepetition Contracts; and it is further

ORDERED that (a) the Cure Amounts (as defined in the River Hall Order and the corresponding motion) set forth on Exhibit 1 to this Order are true, correct, final and fixed amounts as of the date of this Order; (b) the only amounts that are required to be paid at closing upon assumption of the River Hall Prepetition Contracts pursuant to section 365(b)(i)(A) and (B) of the Bankruptcy Code shall be (i) the Cure Amounts and (ii) undisputed amounts which have accrued pursuant to the terms of the River Hall Prepetition Contracts and are unpaid from and after the date of this Order through the date of the closing (the “Accrued Amounts”, and together with the Cure Amounts, hereinafter the “Closing Cure Payments”), and payment of the Closing Cure Payments shall constitute a cure of all monetary defaults under the River Hall Prepetition Contracts; (c) to the extent that there is a dispute as to the amount of any Accrued Amount, the River Hall Debtors shall pay the undisputed portion as a part of the Closing Cure Payments, and shall reserve from the purchase price the amount in dispute, subject to a determination by this Court of the amount payable on account of such disputed Accrued Amount, provided that, notwithstanding the existence of any such disputed Accrued Amount, the assumption and assignment of the applicable River Hall Prepetition Contract shall be effective as of the closing without regard to whether such dispute has been resolved, and the counterparty to the affected River Hall Prepetition Contract shall be bound thereby; and (d) the Closing Cure Payments shall not be subject to further dispute or audit, including based on performance prior to the assumption, assignment and sale of any of the River Hall Prepetition Contracts, irrespective of whether such River Hall Prepetition Contracts contain an audit or similar clause; and it is further

ORDERED that upon the assumption and assignment of the River Hall Prepetition Contracts at closing, each counterparty to a River Hall Prepetition Contract is hereby forever barred, estopped, and permanently enjoined from asserting against the River Hall

Debtors, the Purchaser, or the River Hall assets any default, additional amounts or other claims related to the Closing Cure Payments existing as of the date of such assumption and assignment with respect to such River Hall Prepetition Contract, whether declared or undeclared or known or unknown, and such counterparties to a River Hall Prepetition Contract are also forever barred, estopped, and permanently enjoined from asserting against Purchaser any counterclaim, defense or setoff, or any other claim, lien or interest, asserted or assertable against the River Hall Debtors related to its respective portion of the Closing Cure Payments with respect to such River Hall Prepetition Contract; and it is further

ORDERED that the designation of an agreement as a River Hall Prepetition Contract shall not be a determination that such agreement is an executory contract within the meaning of section 365 of the Bankruptcy Code; and it is further

ORDERED that the transfer of the River Hall assets, including the Tax and CDD Liens which shall follow the River Hall assets, to the Purchaser pursuant to the Modified River Hall Agreement constitutes a legal, valid, and effective transfer of the River Hall assets, and shall vest the Purchaser with all right, title, and interest of the River Hall Debtors in and to the River Hall assets free and clear of any and all Liens and/or encumbrances of any kind or nature whatsoever, except the Tax and CDD Liens, and it is further

ORDERED that except as provided in the Modified River Hall Agreement or this Order, after the closing, the River Hall Debtors and their estates shall have no further liabilities or obligations to any party, including the River Hall Taxing Authority and the CDDs, with respect to any assumed liabilities, including the Tax and CDD Liens which shall follow the River Hall assets, and all holders of such claims are forever barred and estopped from asserting such

claims against the River Hall Debtors, their successors or assigns, their property or their assets or estates; and it is further

ORDERED that the transaction contemplated by the Modified River Hall Agreement is undertaken by the Purchaser in good faith, as that term is used in section 363(m) of the Bankruptcy Code, and accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the sale shall not affect the validity of the sale of the River Hall assets to the Purchaser, unless such authorization is duly stayed pending such appeal. The Purchaser is a purchaser in good faith of the River Hall assets, and is entitled to all of the protections afforded by section 363(m) of the Bankruptcy Code; and it is further

ORDERED that the failure specifically to include any particular provisions of the Modified River Hall Agreement in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Modified River Hall Agreement be authorized and approved in its entirety; and it is further

ORDERED that the Modified River Hall Agreement and any related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto, in a writing signed by both parties, and in accordance with the terms thereof, without further order of the Court, provided that any such modification, amendment or supplement does not have a material adverse effect on the River Hall Debtors' estates; and it is further

ORDERED that other than with respect to the Cure Amounts set forth on Exhibit 1 of this Order, nothing in this Order shall impair the ability of the River Hall Debtors or appropriate party in interest to contest any claim of any creditor pursuant to applicable law or otherwise dispute, contest, setoff, or recoup any claim, or assert any rights, claims or defenses related thereto; and it is further

ORDERED that the River Hall Debtors will file a notice with the court when the transaction contemplated by the Modified River Hall Agreement closes; and it is further

ORDERED that upon entry of this Order, that certain Application for Payment of Ad Valorem Taxes as an Administrative Expense (Dkt. No. 984) filed by Lee County, Florida shall still be deemed withdrawn without prejudice to the same being reurged if the River Hall Seller fails to effectuate the transactions and transfer contemplated under the Modified River Hall Agreement; and it is further

ORDERED that the fourteen (14) day stay under Bankruptcy Rules 6004(h) and 6006(d) is hereby waived, and this Order shall be effective immediately; and it is further

ORDERED that this Court retains jurisdiction to interpret and enforce the term of this Order.

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Exhibit 1

Exhibit 1

Counterparty	Address	City	State	Zip	Crescent Debtor	Type of Contract	Name of Contract	Date of Contract	Cure Amount	Contract Code
Time Warner Cable Inc.	1610 40 th Terrace SW	Naples	FL	34116	Hawk's Haven Developers, LLC	Service Agreement	Cable Television and Communications Service Access Agreement	June 1, 2005	\$0	H268
Prager, Sealy & Co., LLC	200 South Orange Avenue Suite 1900	Orlando	FL	32801	Hawk's Haven Developers, LLC; Hawk's Haven Golf Course Community Developers, LLC	Disclosure Agreement	Continuing Disclosure Agreement	October 1, 2005	\$0	H269
	4890 West Kennedy Boulevard Suite 288	Tampa	FL	33609						

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

In re	§	Chapter 11
	§	
CRESCENT RESOURCES, LLC, <i>et al.</i> ,	§	
	§	Case No. 09-11507 (CAG)
Debtors.	§	
	§	
	§	Jointly Administered

**MOTION FOR AN ORDER PURSUANT
TO SECTIONS 105(a), 363(b), AND 363(f), OF
THE BANKRUPTCY CODE AND BANKRUPTCY RULE
6004, MODIFYING CERTAIN TERMS OF THE RIVER HALL ORDER**

TO THE HONORABLE CRAIG A. GARGOTTA,
UNITED STATES BANKRUPTCY JUDGE:

Hawk's Haven Developers, LLC and Hawk's Haven Golf Course Community
Developers, LLC, as debtors and debtors in possession, (the "River Hall Debtors"), respectfully
represent:

Background

1. On June 10, 2009 (the "Commencement Date"), Crescent Resources, LLC ("Crescent Resources"), its parent Crescent Holdings, LLC ("Crescent Holdings") and their affiliated debtors as debtors, debtors in possession, and reorganized debtors (collectively, "Reorganized Debtors", "Crescent" or the "Debtors") each filed a voluntary case under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code").¹ The Remaining Debtors are authorized to continue operating their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. By order

¹ A list of the Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, is attached hereto as Exhibit A. On May 24, 2010, the Court entered a confirmation order, confirming a plan of reorganization for all Debtors in the above-captioned chapter 11 cases except Rim Golf Investors L.L.C; Hampton Ridge Developers, LLC; Club Villas Developers, LLC; Brooksville East Developers, LLC; and the River Hall Debtors (collectively, the "Remaining Debtors").

of the Court, the Debtors' chapter 11 cases were consolidated for procedural purposes only and are being jointly administered pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"). On July 6, 2009, the United States Trustee for the Western District of Texas appointed an official committee of unsecured creditors (the "Creditors Committee"), which is continuing to serve as the Creditors' Committee in the Remaining Debtors' chapter 11 cases.

Jurisdiction and Venue

2. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

Crescent's Business

3. Crescent, which is headquartered in Charlotte, North Carolina, is a leading real estate development company that focuses on master-planned communities and commercial, industrial, and residential real estate primarily in the Southeast, but also in other regions of the United States. In particular, Crescent has properties located in Arizona, Florida, Georgia, North Carolina, South Carolina, Tennessee, Texas, and Virginia. Crescent Resources has four real estate divisions: residential, commercial, multifamily, and land management. Throughout its history, Crescent and its predecessors have developed and sold over 20 million square feet of commercial and industrial projects, between 50 and 60 residential communities with a variety of features and amenities, and numerous other master-planned communities. Additional information regarding the Debtors' business, capital structure, and the circumstances leading to these chapter 11 cases is contained in the declaration of Kevin H. Lambert, Chief Financial Officer of Crescent Resources filed on the Commencement Date [Docket. No. 22].

Continued Confirmation and the River Hall Order

4. On March 31, 2010, the Debtors (other than Rim Investors) filed the *Debtors' Revised Second Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code* [Docket No. 880] (the "Plan").

5. On May 18, 2010, Hampton Ridge Developers, LLC; Club Villas Developers, LLC; Brooksville East Developers, L.L.C. (the "Southern Hills Debtors"), and together with the River Hall Debtors, the "363 Debtors") and the River Hall Debtors filed the *Motion Pursuant to Sections 105(a), 363(b), 363(f), and 365 of the Bankruptcy Code and Bankruptcy Rules 6004 and 6006 for Authorization to Sell the Southern Hills and River Hall Projects Free and Clear of Certain Liens, Claims, Encumbrances, and Interests* [Docket No. 1021] (the "363 Motion"), requesting authority to sell respectively, the Southern Hills Development in Brooksville, Florida ("Southern Hills") and the River Hall Development in Lee County, Florida ("River Hall"), and together with Southern Hills, the "Developments"), to GreenPointe Communities, LLC (the "Purchaser").

6. At the time the 363 Motion was filed, the Purchaser anticipated closing the transactions contemplated therein (the "Sales") by September of 2010. Thus, on May 18, 2010, the Debtors filed the *Motion to Continue Confirmation of Debtors' Revised Second Amended Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code with Respect to Certain Debtors* [Docket No. 1027] (the "Continuation Motion"), seeking to continue confirmation of the Plan with respect to the 363 Debtors so as to allow sufficient time for the Sales to close prior to confirmation. On May 20, 2010, the Court entered an order granting the Continuation Motion [Docket No. 1061].

7. On May 24, 2010, the Court entered an order confirming the Plan (as modified) [Docket No. 1069] as to the Debtors other than the Remaining Debtors. The Effective Date (as defined in the Plan) of the Plan occurred on June 9, 2010.

8. On June 11, 2010, the Debtors filed a *Motion Pursuant to Sections 105, 362, 363, and 503 of the Bankruptcy Code for an Order Approving Stipulation By and Among the Prepetition Agent, on Behalf of Itself and the Other Prepetition Lenders, the Official Committee of Unsecured Creditors, and Certain Debtors Authorizing Such Debtors to Continue to Use Cash Collateral and Granting Adequate Protection to the Prepetition Lenders Nunc Pro Tunc* [Docket No. 1094] (the “Cash Collateral Motion”), requesting that the Court authorize the 363 Debtors, pursuant to the terms of a stipulation, to use the prepetition lenders’ cash collateral (the “Cash Collateral”) through confirmation of the Plan as to the Reorganized Debtors (the “Cash Collateral Stipulation”). The Court entered an order approving the Cash Collateral Motion on July 16, 2010 [Docket No. 1146]. Under the terms of the Cash Collateral Stipulation, the 363 Debtors were authorized to use \$200,000 of Cash Collateral to fund the operations of their respective Developments until the Sales closed. The Cash Collateral Stipulation terminated on September 15, 2010.

9. On June 16, 2010, the Court entered orders approving the 363 Motion and authorizing the Sales of Southern Hills [Docket No. 1099] and River Hall [Docket No. 1098] (the “River Hall Order”) free and clear of certain liens, claims, encumbrances and interests.

10. When it became evident that the Sales would not be consummated in time for a September confirmation, on September 10, 2010, the 363 Debtors filed a motion to continue confirmation of the Plan again until December 17, 2010 [Docket No. 1242]. The Court entered an order approving the same on September 17, 2010 [Docket No. 1262]. The 363 Debtors

anticipate filing a motion requesting a second extension of the use of Cash Collateral through December 17, 2010 shortly.

Relief Requested

11. By this Motion, the River Hall Debtors seek entry of an order, pursuant to sections 105(a), 363(b), and 363(f) of the Bankruptcy Code, modifying the River Hall Order, substantially in the form attached hereto as Exhibit B (the “Modified River Hall Order”), so as to authorize the River Hall Debtors to sell River Hall to the Purchaser for a reduced Purchase Price (as defined below), and to proceed with such sale pursuant to the amended River Hall Agreement (as defined below) immediately, notwithstanding the possible applicability of Bankruptcy Rule 6004(h). The relief requested herein will not affect the remaining terms and conditions of the original River Hall Order.

Summary of the River Hall Transaction

12. On February 9, 2010, the River Hall Debtors entered into a purchase and sale agreement (as amended prior to and not including the terms of the Amendment (as defined below) that is the subject of this Motion) (the “River Hall Agreement”) attached hereto with all amendments as Exhibit C. The River Hall Agreement contemplates the sale of River Hall to the Purchaser for approximately \$1.3 million, free and clear of certain liens, claims, encumbrances and interests, but subject to (i) approximately \$906,036 in property tax liabilities² (the “Property Taxes”) owed to the Lee County Tax Collector (the “Taxing Authority”), which are secured by a lien on River Hall (the “Tax Liens”) and (ii) approximately \$1,820,533 in community district and

² On May 6, 2010, Cathy Curtis, Tax Collector for Lee County, Florida, filed an *Application for Payment of Ad Valorem Taxes as an Administrative Expense* [Docket No. 984] (the “Administrative Expense Application”), requesting that the Court enter an order allowing the full amount of *ad valorem* taxes to be treated as an administrative expense pursuant to section 503 of the Bankruptcy Code. The Administrative Expense Application indicates that approximately \$1,127,882 in *ad valorem* taxes is presently due and owing.

development bond assessments (the “CDD Assessments”, and together with the Property Taxes, the “Taxes and Assessments”) owed to the River Hall Community Development District (the “CDD”), which are also secured by a lien on River Hall (the “CDD Liens,” and together with the Tax Liens, the “Tax and CDD Liens”).

13. The following is a summary of the salient terms of the River Hall Agreement as originally approved by the River Hall Order on June 16, 2010, and including subsequent non-material amendments to the River Hall Agreement, but not including any proposed modifications pursuant to the Amendment or the Modified River Hall Order :³

- | | |
|--|---|
| Closing Date: | • September 30, 2010 (the “ <u>Closing Date</u> ”). |
| Investigation Period | • Expired on September 17, 2010 (the “ <u>Investigation Period</u> ”). |
| Description of the Assets: | • All of the land, lots, improvements, tangible and intangible property, furniture, fixtures, equipment, leases, service contracts, management contracts, development agreements, licenses, and permits known as the River Hall Development located in Lee County, Florida. |
| Purchase Price: | • \$1.3 million, subject to the \$ in Tax and CDD Liens (the “ <u>Purchase Price</u> ”). |
| Deposit: | • \$50,000 refundable deposit in cash or letter of credit, which deposit has already been delivered (the “ <u>Deposit</u> ”). |
| Brokers’ Commissions: | • None |
| Material Conditions to Closing: | • Bankruptcy Court approval of sale, subject to the Purchaser assuming the Taxes and Assessments.
• The representations and warranties made by the River Hall Debtors or the Purchaser shall be true as of the closing date. |

14. Pursuant to the River Hall Agreement, during the Investigation Period, the Purchaser was authorized to negotiate with the CDD, the Taxing Authority, and Lee County, as necessary, to reduce the amount of outstanding Taxes and Assessments. The Purchaser had

³ The summary contained in this Motion is intended to be used for informational purposes only and shall not in any way affect the meaning or interpretation of the River Hall Agreement.

previously informed the River Hall Debtors that successful negotiations with respect to the CDD Assessments was necessary for it to effectuate the closing of the River Hall Agreement.

However, by the end of the Investigation Period, the Purchaser informed the River Hall Debtors that it had not been able to negotiate a reduction in CDD Assessments, and thus the River Hall transaction was no longer financially feasible. The Purchaser subsequently proposed that the River Hall Debtors pay for a portion of the CDD Assessments in the form of a reduction to the Purchase Price as set forth in the proposed Modified River Hall Order and the proposed Seventh Amendment to Contract for Sale, dated September 17, 2010 to the River Hall Agreement (the "Amendment"), and the River Hall Agreement as amended by the proposed Amendment, the "Modified River Hall Agreement"), attached hereto as Exhibit D.

15. To date, the Purchaser has not been able to negotiate a reduction of the CDD Assessments such that it believes the project is sustainable. Accordingly, pursuant to the Amendment, the River Hall Debtors would reduce the Purchase Price by \$750,000 to account for a portion of the CDD Assessments that the Purchaser will be assuming and obligated to pay before the end of 2010. The new proposed purchase price for River Hall would be \$550,000, subject to customary adjustments and prorations in accordance with the River Hall Agreement (the "Modified Purchase Price"). *See Amendment* ¶ 2. Notwithstanding the reduction in the purchase price, it is the Purchaser's intention to continue to negotiate with the CDD regarding the CDD Assessments to ensure the long-term viability of the River Hall project. To the extent that the Purchaser is able to reduce the CDD Assessments at some point in the future, the Amendment provides that the Purchaser will reimburse the River Hall Debtors \$750,000; *provided, however*, that the restructuring of the CDD Assessments is accomplished without the

necessity of the Purchaser paying the CDD to reduce the amounts owed, purchasing the CDD Assessments, or increasing the principal amount of the CDD bonds and the interest rate. *Id.*

16. The Amendment requires, as a condition precedent to closing, that the River Hall Debtors receive Court authority to consummate the Modified River Hall Agreement through the entry of the Modified River Hall Order prior to or on October 15, 2010 (the “Condition to Closing”). *See Amendment* ¶ 4(iv). The Closing Date would also be modified to be the later of September 30, 2010, or five (5) business days after the Condition to Closing is satisfied. However, if the Condition to Closing is not satisfied by September 30, 2010, then the Purchaser could elect to either (i) terminate the Agreement and receive a full refund of the Deposit or (ii) extend the Closing Date beyond September 30, 2010 until the Condition to Closing has been satisfied, but in no event later than October 25, 2010 (the “Extended Closing Date”). *See Amendment* ¶ 5(d). If the Purchaser were to elect the Extended Closing Date, then for every day that the closing extended beyond September 30, 2010, \$1,000 of the Deposit would become nonrefundable to the Purchaser (the “Deposit Penalty”). Further, in connection with the Extended Closing Date option, if the closing occurs (i) prior to October 12, 2010, the full amount of the Deposit would be applied to the Modified Purchase Price and (ii) after October 12, 2010, the portion of the Deposit that constitutes the Deposit Penalty would not be applied to the Modified Purchase Price at closing. *Id.*

17. The price adjustment set forth in the Amendment is a material modification to the River Hall transaction that was initially authorized by the River Hall Order, and accordingly, the River Hall Debtors hereby seek to give notice to all parties in interest and the Court of the modification. If the Amendment is approved, the River Hall Debtors request that the Court enter

the proposed Modified River Hall Order authorizing them to effectuate the transaction pursuant to these new terms.

18. The River Hall Debtors believe that even at the Modified Purchase Price, the River Hall transaction presents the best opportunity for the River Hall Debtors to resolve their chapter 11 cases. Pursuant to the terms of the Plan as to the River Hall Debtors, the full amount of Taxes and Assessments are required to be paid on the effective date. However, under the terms of the Modified River Hall Agreement, the Purchaser will assume at closing the entirety of the Taxes and Assessments, and after accounting for the \$750,000 credit to the Purchase Price, the Purchaser will pay \$1,976,569 out-of-pocket to the Taxing Authorities and the CDD. Absent the consummation of the transaction contemplated by the Modified River Hall Agreement, the River Hall Debtors are unlikely to have sufficient cash to pay the Taxes and Assessments. The River Hall Debtors will utilize all their existing Cash Collateral for operations through September 2010. The Amendment requires that the Purchaser close the transaction on September 30, 2010 in accordance with the current timeline. In the alternative, if closing is not possible by September 30, 2010 and the Purchaser agrees to an Extended Closing Date, the sale will still close within the River Hall Debtors' approximate timeline for this transaction, with the incurrence of certain subsequent delays costing the Purchaser the Deposit Penalty.

19. If the Amendment is not approved by the Court, the River Hall Debtors could terminate the River Hall Agreement and attempt to find another buyer for the development; however, the River Hall Debtors believe that such a decision would likely be fruitless and costly and would also significantly delay the conclusion of their chapter 11 cases. The River Hall Debtors would need to negotiate the ability to use more Cash Collateral to sustain its operations during its search for another buyer. Further, because the River Hall Debtors have no funds with

which to pay the Taxes and Assessments, the River Hall Debtors would be limited to consideration of offers from purchasers that would be willing to assume the Taxes and Assessments at closing. Such a condition would undoubtedly require the River Hall Debtors to provide any new prospective purchaser with an opportunity to negotiate such liabilities with the corresponding Taxing Authority and CDD. The River Hall Debtors estimate that undergoing this sale process anew could delay the conclusion of these cases until mid-2011. Thus, if the transaction as set forth in the Modified River Hall Agreement does not close, the River Hall Debtors will need to reassess whether confirmation of a chapter 11 plan is feasible or promptly move to convert their cases to cases under chapter 7 of the Bankruptcy Code.

Basis for Relief Requested

**Sale of the Assets Free and Clear of Certain
Liens, Claims and Encumbrances Is Appropriate**

20. Section 363(b)(1) of the Bankruptcy Code governs the sale of assets of a debtor outside the ordinary course of business. Specifically, that section provides, in relevant part, that “[t]he trustee, after notice and a hearing, may use, sell or lease, other than in the ordinary course of business, property of the estate.” 11 U.S.C. § 363(b)(1). In determining whether to authorize the use or sale of property outside the ordinary course of business, courts require a debtor to provide “some articulated business justification, other than appeasement of major creditors, for using, selling or leasing property out of the ordinary course of business...” *See, In re Cont’l Airlines, Inc.*, 780 F.2d 1223, 1226 (5th Cir. 1986) (citing *In re Lionel Corp.*, 722 F.2d 1063, 1070 (2d Cir.1983)); *In re Del. & Hudson Ry. Co.*, 124 B.R. 169, 178 (D. Del. 1991) (affirming decision permitting debtor to sell assets where sound business reasons supported the sale).

21. Section 105(a) of the Bankruptcy Code, which confers broad powers on bankruptcy courts, provides, in relevant part, as follows:

The court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.

11 U.S.C. § 105(a). *See, e.g., Davis v. Davis (In re Davis)*, 170 F.3d 475, 492 (5th Cir. 1999); *In re CoServ, L.L.C.*, 273 B.R. 487, 494 n.9 (Bankr. N.D. Tex. 2002); *In re Southmark Corp.*, 113 B.R. 280, 281 (Bankr. N.D. Tex. 1990).

22. In the instant case, the River Hall Debtors submit that sound business justification exists for approval of the Modified River Hall Order. River Hall is not part of the Reorganized Debtors' post-confirmation business strategy, and the sale of River Hall pursuant to the revised terms of the Modified River Hall Agreement will still provide some liquidity to the River Hall Debtors and facilitate an expeditious confirmation of their Plan. The modified River Hall transaction will yield sale proceeds of approximately \$550,000 subject to the prepetition secured lender liens and relieve the River Hall Debtors from paying \$2,726,569 in Taxes and Assessments. In summary, the proceeds from the Sales of Southern Hills (which transaction is scheduled to close within the same time frame as River Hall) and River Hall will propel the corresponding 363 Debtors to confirm their Plan and conclude their bankruptcy cases.

23. The Amendment was negotiated in good faith and the consideration to be realized from the River Hall sale is still fair and reasonable given that the Purchaser is buying River Hall subject to the burdensome Taxes and Assessments.

24. The River Hall Debtors further submit that it is appropriate that River Hall be sold free and clear of all liens, claims, encumbrances and other interests, with the exception of the Tax and CDD Liens, pursuant to section 363(f) of the Bankruptcy Code, with any such liens, claims, encumbrances, or interests to attach to the sale proceeds of the River Hall transaction. Section 363(f) of the Bankruptcy Code provides as follows:

The trustee may sell property under subsection (b) or (c) of this section free and clear of any interest in such property of an entity other than the estate, only if—

- (1) applicable nonbankruptcy law permits sale of such property free and clear of such interest;
- (2) such entity consents;
- (3) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property;
- (4) such interest is in bona fide dispute; or
- (5) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest.

11 U.S.C. § 363(f). Because section 363(f) is stated in the disjunctive, when selling property of the estate, it is only necessary to meet one of the five conditions listed in that section. *See In re Kellstrom Indus., Inc.*, 282 B.R. 787, 793 (Bankr. D. Del. 2002) (“Section 363(f) is written in the disjunctive, not the conjunctive, and if any of the five conditions are met, the debtor has the authority to conduct the sale free and clear of all liens.” *citing Citicorp Homeowners Servs., Inc. v. Elliot (In re Elliot)*, 94 B.R. 343, 345 (E.D. Pa. 1988).

25. As previously discussed, on the Closing Date, the Taxes and Assessments will become the obligation of the Purchaser; thus, the Tax and CDD Liens levied on River Hall by the Taxing Authorities and the CDD will not attach to the sale proceeds, but will follow the subject property into the hands of the Purchaser. The River Hall Debtors submit that, with respect to the Modified River Hall Agreement, the Court should authorize the sale of River Hall free and clear of any and all liens, claims and encumbrances, with the exception of the Tax and CDD Liens (the “Liens”), with any of the same to be transferred and attached to the net sale proceeds, with the same validity and priority that such Liens had against the rights to the River Hall assets. Thus, the sale of River Hall free and clear of the Liens will satisfy the statutory prerequisites of section

363(f) of the Bankruptcy Code. Additionally, in approving the sale free and clear of Liens, the River Hall Debtors request that the Court find and hold that the Purchaser is entitled to the protections afforded by section 363(m) of the Bankruptcy Code.

26. The River Hall Debtors have carefully revisited and reconsidered the economic benefits of this transaction in light of the Modified Purchase Price and believe that given (i) the high amount of Taxes and Assessments that are outstanding as to the River Hall development, (ii) that River Hall is not part of the Reorganized Debtors' business plan, and (iii) that if the transaction contemplated by the Modified River Hall Agreement does not close, the River Hall Debtors are unlikely to have sufficient cash to pay the Taxes and Assessments, sale of River Hall in accordance with the Modified River Hall Agreement is still in the best interest of the River Hall Debtors' estate and within their sound business judgment. Accordingly, the River Hall Debtors request that the Court approve the Modified River Hall Order.

Relief Under Bankruptcy Rule 6004(h)

27. Bankruptcy Rule 6004(h) provides that an "order authorizing the use, sale, or lease of property . . . is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise." Fed. R. Bankr. P. 6004(h). The Debtors submit that it is necessary to complete the sale of River Hall as soon as possible so that they may proceed to confirmation of their Plan and avoid any further costly delays. Thus, the Debtors request that the Court waive the fourteen-day stay under Bankruptcy Rule 6004(h) so that the Purchaser can successfully and promptly implement the foregoing.

28. Accordingly, in light of the undeniable benefits of the relief requested herein to the River Hall Debtors and their reorganization, the River Hall Debtors believe that they clearly have exercised sound business judgment and that the sale of River Hall, pursuant to the modified terms set forth herein, should be approved in all respects.

Notice

29. Notice of this Motion has been provided to: (i) the United States Trustee for the Western District of Texas; (ii) all parties on the Master Service List; (iii) counsel to the Creditors' Committee; (iv) counsel to the Purchaser; (v) counsel to Bank of America, N.A., as agent to the Debtors' prepetition lenders; (vi) counsel to the River Hall CDD; (vii) counsel to the River Hall Taxing Authorities; (viii) counsel to Duke Ventures, LLC; and (ix) counterparties to the prepetition contracts (collectively, the "Notice Parties"). The Debtors submit that no other or further notice need be provided.

WHEREFORE the Debtors respectfully request that the Court grant the relief requested
herein and such other and further relief as it deems just and proper.

Dated: September 21, 2010
Austin, Texas

/s/ Martin A. Sosland
Eric J. Taube (19679350)
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-and-

Martin A. Sosland (18855645)
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-and-

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Telephone: (212) 310-8000
Facsimile: (212) 310-8007

ATTORNEYS FOR DEBTORS AND
REORGANIZED DEBTORS

Exhibit A

No.	Name of Debtor:	Last 4 Digits of Taxpayer Id. No.
1.	Crescent 210 Barton Springs, LLC	4379
2.	Cornerstone Plaza, LLC	No EIN applicable
3.	Crescent Holdings, LLC	3626
4.	Crescent Resources, LLC	3582
5.	1780, LLC	2277
6.	223 Developers, LLC	4927
7.	Ballantyne Properties, LLC	1507
8.	Bartram Crescent Development, LLC	4449
9.	Black Forest on Lake James, LLC	1855
10.	Bridgewater Lakeland Developers, LLC	0831
11.	Brooksville East Developers, LLC	No EIN applicable
12.	Camp Lake James, LLC	2407
13.	Carolina Centers, LLC (N.C. entity)	3470
14.	Carolina Centers, LLC (Del. entity)	4729
15.	Chaparral Pines Investors, L.L.C.	1077
16.	Chaparral Pines Management, L.L.C.	6788
17.	Chapel Cove at Glengate, LLC	7243
18.	Citall Development, LLC	3633
19.	Clean Water of NC, LLC	3582
20.	CLT Development, LLC	3851
21.	Club Capital, LLC	7989
22.	Club Enterprises, LLC	3831
23.	Club Villas Developers, LLC	5087
24.	Colbert Lane Commercial, LLC	2983
25.	Crescent Communities N.C., LLC	0306
26.	Crescent Communities Realty, LLC	2410
27.	Crescent Communities SC, LLC	0305
28.	Crescent Lakeway, LLC	3926
29.	Crescent Lakeway Management, LLC	4072
30.	Crescent Land & Timber, LLC	9013
31.	Crescent Multifamily Construction, LLC	42507
32.	Crescent Potomac Greens, LLC	No EIN applicable
33.	Crescent Potomac Plaza, LLC	No EIN applicable
34.	Crescent Potomac Properties, LLC	No EIN applicable
35.	Crescent Potomac Yard Development, LLC	No EIN applicable
36.	Crescent Potomac Yard, LLC	No EIN applicable
37.	Crescent Realty Advisors, LLC	No EIN applicable
38.	Crescent Realty, LLC	4004
39.	Crescent River, LLC	6365
40.	Crescent Rough Hollow, LLC	4882
41.	Crescent Seminole, LLC	8302
42.	Crescent Southeast Club, LLC	5725
43.	Crescent Twin Creeks, LLC	0190

No.	Name of Debtor:	Last 4 Digits of Taxpayer Id. No.
44.	Crescent Yacht Club, LLC	0942
45.	Crescent/Arizona, LLC	3582
46.	Crescent/Florida, LLC	No EIN applicable
47.	Crescent/Georgia, LLC	No EIN applicable
48.	Crescent/RGI Capital, LLC	6151
49.	Falls Cove Development, LLC	22241
50.	FP Real Estate One, L.L.C.	6646
51.	Grand Haven Developers, LLC	1286
52.	Grand Woods Developers, LLC	5005
53.	Green Fields Investments, LLC	3582
54.	Gulf Shores Waterway Development, LLC	6844
55.	Hammock Bay Crescent, LLC	No EIN applicable
56.	Hampton Lakes, LLC	3538
57.	Hampton Ridge Developers, LLC	2235
58.	Hawk's Haven Developers, LLC	1192
59.	Hawk's Haven Golf Course Community Developers, LLC	3562
60.	Hawk's Haven Joint Development, LLC	0337
61.	Hawk's Haven Sponsor, LLC	0376
62.	Headwaters Development Limited Partnership	9149
63.	Hidden Lake Crescent, LLC	4587
64.	Joint Facilities Management, LLC	7638
65.	Lake George Developers, LLC	4965
66.	LandMar Group, LLC	3538
67.	LandMar Management, LLC	3540
68.	Lighthouse Harbor Developers, LLC	1128
69.	May River Forest, LLC	9262
70.	May River Golf Club, LLC	0952
71.	McNinch-Hill Investments, LLC	3378
72.	Milford Estates, LLC	3582
73.	New Riverside, LLC	1349
74.	Nine Corporate Centre Holding Company, LLC	No EIN applicable
75.	North Bank Developers, LLC	7731
76.	North Hampton, LLC	3544
77.	North River, LLC	7701
78.	Old Wildlife Club, LLC	2072
79.	Oldfield, LLC	1481
80.	Osprey Development, LLC	9515
81.	Palmetto Bluff Club, LLC	4599
82.	Palmetto Bluff Development, LLC	1383
83.	Palmetto Bluff Investments, LLC	No EIN applicable
84.	Palmetto Bluff Lodge, LLC	0969
85.	Palmetto Bluff Real Estate Company, LLC	4124

No.	Name of Debtor:	Last 4 Digits of Taxpayer Id. No.
86.	Palmetto Bluff Uplands, LLC	No EIN applicable
87.	Panama City Development, LLC	2207
88.	Park/Marsh, LLC	3331
89.	Parkside Development, LLC	4819
90.	Piedmont Row Development, LLC	0566
91.	Portland Group, LLC	1461
92.	Rim Golf Investors, L.L.C.	4027
93.	River Paradise, LLC	0831
94.	Roberts Road, LLC	8601
95.	Sailview Properties, LLC	3836
96.	Seddon Place Development, LLC	1566
97.	Springfield Crescent, LLC	6970
98.	StoneWater Bay Properties, LLC	3379
99.	Stratford on Howard Development, LLC	7491
100.	Sugarloaf Country Club, LLC	1688
101.	Sugarloaf Properties, LLC	2808
102.	Sugarloaf Realty, LLC	8817
103.	The Farms, LLC	4921
104.	The Oldfield Realty Company, LLC	1481
105.	The Parks at Meadowview, LLC	5366
106.	The Parks of Berkeley, LLC	1670
107.	The Point on Norman, LLC	3958
108.	The Ranch at the Rim, LLC	3378
109.	The Reserve, LLC	2753
110.	The Retreat on Haw River, LLC	4124
111.	The River Club Realty, LLC	5750
112.	The River Country Club, LLC	5742
113.	The Sanctuary at Lake Wylie, LLC	3582
114.	Trout Creek Developers, LLC	0536
115.	Tussahaw Development, LLC	0184
116.	Twin Creeks Holdings, Ltd.	7903
117.	Twin Creeks Management, LLC	0188
118.	Twin Creeks Operating Co., L.P.	2789
119.	Twin Creeks Property, Ltd.	2531
120.	Two Lake Pony Farm, LLC	4680
121.	Winding River, LLC	0280

Exhibit B

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION**

In re	§	Chapter 11
	§	
CRESCENT RESOURCES, LLC, et al.,	§	
	§	Case No. 09-11507 (CAG)
Debtors.	§	
	§	
	§	Jointly Administered

**MODIFIED ORDER PURSUANT TO SECTIONS 105(a), 363(b) AND 363(f) OF THE
BANKRUPTCY CODE AND BANKRUPTCY RULE 6004 AUTHORIZING HAWK’S
HAVEN DEVELOPERS, LLC AND HAWK’S HAVEN GOLF COURSE COMMUNITY
DEVELOPERS, LLC TO SELL THE RIVER HALL PROJECT PURSUANT TO THAT
CERTAIN MODIFIED PURCHASE AND SALE AGREEMENT FREE AND CLEAR OF
CERTAIN LIENS, CLAIMS, ENCUMBRANCES, AND INTERESTS**

Upon the motion (the “Motion”) of Hawk’s Haven Developers, LLC and Hawk’s
Haven Golf Course Community Developers, LLC, as debtors and debtors in possession
(collectively, the “River Hall Debtors”) pursuant to sections 105(a), 363(b) and 363(f) of the
Bankruptcy Code¹ and Bankruptcy Rule 6004, requesting that the Court modify the River Hall
Order, dated June 16, 2010 [Docket No. 1098] (the “River Hall Order”) so as to authorize the

¹ All capitalized terms used but not defined herein shall have the same meanings ascribed to them in the Motion.

River Hall Debtors to (i) sell the River Hall Development in Lee County, Florida ("River Hall") to GreenPointe Communities, LLC (the "Purchaser"), pursuant to the terms of the River Hall Agreement as modified by that certain Seventh Amendment to Contract for Sale, dated September 17, 2010 (the "Amendment", and the River Hall Agreement, as modified by the Amendment, the "Modified River Hall Agreement"), as more fully set forth in the Motion; (ii) sell River Hall to the Purchaser free and clear of all liens, claims, encumbrances, and other interests, except the Tax² and CDD Liens; and (iii) proceed immediately with such sale notwithstanding the possible applicability of Bankruptcy Rule 6004(h); and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion and the Hearing (as defined below) having been provided to the Notice Parties and no further notice is necessary; and the Court having held a hearing to consider the requested relief (the "Hearing"); and upon the record of the Hearing, and all the proceedings before the Court, the Court finds and determines that the relief sought is in the best interests of the River Hall Debtors and their estates; and the Court finds and determines that the relief sought is an exercise of the River Hall Debtors' sound business judgment; and the Court finds and determines that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and upon sufficient cause appearing therefor, it is

ORDERED that the Modified River Hall Agreement, as amended by the Amendment, and all of the terms and conditions therein, are approved; and it is further

² For purposes of this Order, any reference to "Taxes" or "Tax Liens" shall include, but not be limited to those certain *ad valorem* property taxes due to and owing the Lee County, Florida tax collector with respect to the River Hall Project.

ORDERED that the River Hall Debtors are authorized to reduce the Purchase Price by \$750,000 in accordance with the Amendment; and it is further

ORDERED that the River Hall Debtors are authorized to sell River Hall pursuant to the Modified River Hall Agreement and effectuate the same pursuant to the revised closing conditions and closing deadlines set forth in the Amendment; and it is further

ORDERED that notwithstanding anything to the contrary in this Order, pending closing, the Purchaser shall be entitled to continue negotiations directly with the CDD and Taxing Authorities with respect to the amounts owed to such entities with respect to the River Hall project, and it being understood that after the Closing Date or the Extended Closing Date, as the case may be, the Purchaser shall continue to seek a modification and reduction of the CDD Assessments associated with River Hall, and to the extent the Purchaser successfully negotiates a reduction of the CDD Assessments at any time in the future, it shall pay the River Hall Debtors (or Crescent Resources, LLC), subject to the exceptions set forth in paragraph 2 of the Amendment, \$750,000; and it is further

ORDERED that the Purchaser is expressly assuming the responsibility for the satisfaction of the River Hall Taxes and Assessments pursuant to this Order and the terms of the Modified River Hall Agreement; and it is further

ORDERED that with the exception of the foregoing, nothing herein shall affect the remaining terms and conditions of the River Hall Order, with such terms and conditions being made applicable to the Modified River Hall Agreement, and which terms are reiterated herein; and it is further

ORDERED that pursuant to sections 363(b) and 363(f) of the Bankruptcy Code, and in accordance with the terms of the Modified River Hall Agreement, the River Hall Debtors

are authorized to (i) consummate the sale of River Hall to the Purchaser free and clear of any and all mortgages, liens, claims, encumbrances, except the Tax and CDD Liens (collectively, "Liens"), and with all such Liens to attach to the net proceeds of the sale of River Hall, with the same validity, force, effect, and priority as such Liens had immediately prior to the sale, subject to the rights and defenses of the River Hall Debtors and any party in interest with respect to any such asserted Liens and (ii) perform their obligations under and comply with the terms of the Modified River Hall Agreement; and it is further

ORDERED that any and all liens imposed by the CDD (the "CDD Liens") shall continue to represent first priority governmental liens *pari passu* with ad valorem taxes and superior to any other liens. Any and all past due, current, and future CDD Liens imposed by the CDD shall not be affected in any way by the Modified River Hall Agreement, this Order, or any final or supplemental sale order. Any CDD Liens, including but not limited to any unpaid special assessments levied by the CDD that would be collected directly by the CDD, shall remain on the property until paid pursuant to the terms of the CDD's assessment resolutions and applicable non-bankruptcy law. This Order shall not affect in any way the CDD's authority or right to enforce any CDD Liens against the real property within River Hall, the Purchaser, and any other future landowners of said real property consistent with the terms of the CDD's assessment resolutions and applicable law; and it is further

ORDERED that the River Hall Debtors are authorized to execute and deliver, and are empowered to perform under, consummate, and implement the Modified River Hall Agreement, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Modified River Hall Agreement, and to take all further actions as may be reasonably required for the purpose of assigning, transferring, granting,

conveying and conferring to the Purchaser or reducing to possession, the River Hall assets, or as may be necessary or appropriate to the performance of the obligations as contemplated by the Modified River Hall Agreement and to implement and effectuate the transactions contemplated by this Order; and it is further

ORDERED that, the holders of any mortgage or lien under the River Hall Debtors' prepetition secured financing facilities are directed to deliver partial releases and other instruments reasonably requested by the River Hall Debtors evidencing releases of their liens upon the request and at the expense of the River Hall Debtors as required under the terms of the applicable prepetition financing agreements; and it is further

ORDERED that the River Hall Debtors' title insurance agents and underwriters are authorized to provide title insurance without exception notwithstanding any statutory requirements requiring a "gap affidavit" or other documentation; and it is further

ORDERED that title agents and title insurance underwriters may rely upon the filing of a copy of this Order in Lee County, Florida to issue their title policies on properties located within each such county without exception to any Liens, except for the Tax and CDD Liens, whether asserted or unasserted, known or unknown; and it is further

ORDERED that effective upon the closing of the Modified River Hall Agreement and conditioned upon payment of the Closing Cure Payments (as defined below), the River Hall Debtors are authorized to assume and assign the River Hall Prepetition Contracts (as defined in the River Hall Order and the corresponding motion) listed on Exhibit 1 to this Order, which assumption and assignment is hereby approved; and execute and deliver to Purchaser such assignment documents as may be necessary to assign the River Hall Prepetition Contracts; and it is further

ORDERED that (a) the Cure Amounts (as defined in the River Hall Order and the corresponding motion) set forth on Exhibit 1 to this Order are true, correct, final and fixed amounts as of the date of this Order; (b) the only amounts that are required to be paid at closing upon assumption of the River Hall Prepetition Contracts pursuant to section 365(b)(i)(A) and (B) of the Bankruptcy Code shall be (i) the Cure Amounts and (ii) undisputed amounts which have accrued pursuant to the terms of the River Hall Prepetition Contracts and are unpaid from and after the date of this Order through the date of the closing (the “Accrued Amounts”, and together with the Cure Amounts, hereinafter the “Closing Cure Payments”), and payment of the Closing Cure Payments shall constitute a cure of all monetary defaults under the River Hall Prepetition Contracts; (c) to the extent that there is a dispute as to the amount of any Accrued Amount, the River Hall Debtors shall pay the undisputed portion as a part of the Closing Cure Payments, and shall reserve from the purchase price the amount in dispute, subject to a determination by this Court of the amount payable on account of such disputed Accrued Amount, provided that, notwithstanding the existence of any such disputed Accrued Amount, the assumption and assignment of the applicable River Hall Prepetition Contract shall be effective as of the closing without regard to whether such dispute has been resolved, and the counterparty to the affected River Hall Prepetition Contract shall be bound thereby; and (d) the Closing Cure Payments shall not be subject to further dispute or audit, including based on performance prior to the assumption, assignment and sale of any of the River Hall Prepetition Contracts, irrespective of whether such River Hall Prepetition Contracts contain an audit or similar clause; and it is further

ORDERED that upon the assumption and assignment of the River Hall Prepetition Contracts at closing, each counterparty to a River Hall Prepetition Contract is hereby forever barred, estopped, and permanently enjoined from asserting against the River Hall

Debtors, the Purchaser, or the River Hall assets any default, additional amounts or other claims related to the Closing Cure Payments existing as of the date of such assumption and assignment with respect to such River Hall Prepetition Contract, whether declared or undeclared or known or unknown, and such counterparties to a River Hall Prepetition Contract are also forever barred, estopped, and permanently enjoined from asserting against Purchaser any counterclaim, defense or setoff, or any other claim, lien or interest, asserted or assertable against the River Hall Debtors related to its respective portion of the Closing Cure Payments with respect to such River Hall Prepetition Contract; and it is further

ORDERED that the designation of an agreement as a River Hall Prepetition Contract shall not be a determination that such agreement is an executory contract within the meaning of section 365 of the Bankruptcy Code; and it is further

ORDERED that the transfer of the River Hall assets, including the Tax and CDD Liens which shall follow the River Hall assets, to the Purchaser pursuant to the Modified River Hall Agreement constitutes a legal, valid, and effective transfer of the River Hall assets, and shall vest the Purchaser with all right, title, and interest of the River Hall Debtors in and to the River Hall assets free and clear of any and all Liens and/or encumbrances of any kind or nature whatsoever, except the Tax and CDD Liens, and it is further

ORDERED that except as provided in the Modified River Hall Agreement or this Order, after the closing, the River Hall Debtors and their estates shall have no further liabilities or obligations to any party, including the River Hall Taxing Authority and the CDDs, with respect to any assumed liabilities, including the Tax and CDD Liens which shall follow the River Hall assets, and all holders of such claims are forever barred and estopped from asserting such

claims against the River Hall Debtors, their successors or assigns, their property or their assets or estates; and it is further

ORDERED that the transaction contemplated by the Modified River Hall Agreement is undertaken by the Purchaser in good faith, as that term is used in section 363(m) of the Bankruptcy Code, and accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the sale shall not affect the validity of the sale of the River Hall assets to the Purchaser, unless such authorization is duly stayed pending such appeal. The Purchaser is a purchaser in good faith of the River Hall assets, and is entitled to all of the protections afforded by section 363(m) of the Bankruptcy Code; and it is further

ORDERED that the failure specifically to include any particular provisions of the Modified River Hall Agreement in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Modified River Hall Agreement be authorized and approved in its entirety; and it is further

ORDERED that the Modified River Hall Agreement and any related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto, in a writing signed by both parties, and in accordance with the terms thereof, without further order of the Court, provided that any such modification, amendment or supplement does not have a material adverse effect on the River Hall Debtors' estates; and it is further

ORDERED that other than with respect to the Cure Amounts set forth on Exhibit 1 of this Order, nothing in this Order shall impair the ability of the River Hall Debtors or appropriate party in interest to contest any claim of any creditor pursuant to applicable law or otherwise dispute, contest, setoff, or recoup any claim, or assert any rights, claims or defenses related thereto; and it is further

ORDERED that the River Hall Debtors will file a notice with the court when the transaction contemplated by the Modified River Hall Agreement closes; and it is further

ORDERED that upon entry of this Order, that certain Application for Payment of Ad Valorem Taxes as an Administrative Expense (Dkt. No. 984) filed by Lee County, Florida shall still be deemed withdrawn without prejudice to the same being reurged if the River Hall Seller fails to effectuate the transactions and transfer contemplated under the Modified River Hall Agreement; and it is further

ORDERED that the fourteen (14) day stay under Bankruptcy Rules 6004(h) and 6006(d) is hereby waived, and this Order shall be effective immediately; and it is further

ORDERED that this Court retains jurisdiction to interpret and enforce the term of this Order.

###

Exhibit 1

Exhibit 1

Counterparty	Address	City	State	Zip	Crescent Debtor	Type of Contract	Name of Contract	Date of Contract	Cure Amount	Contract Code
Time Warner Cable Inc.	1610 40 th Terrace SW	Naples	FL	34116	Hawk's Haven Developers, LLC	Service Agreement	Cable Television and Communications Service Access Agreement	June 1, 2005	\$0	H268
Prager, Sealy & Co., LLC	200 South Orange Avenue Suite 1900	Orlando	FL	32801	Hawk's Haven Developers, LLC; Hawk's Haven Golf Course Community Developers, LLC	Disclosure Agreement	Continuing Disclosure Agreement	October 1, 2005	\$0	H269
	4890 West Kennedy Boulevard Suite 288	Tampa	FL	33609						

Exhibit C

CONTRACT FOR SALE

THIS CONTRACT FOR SALE ("Agreement") is made by and between HAWK'S HAVEN DEVELOPERS, LLC, a Delaware limited liability company ("HHD"), HAWK'S HAVEN GOLF COURSE COMMUNITY DEVELOPERS, LLC, a Delaware limited liability company ("HHGCCD"), each as debtor-in possession (HHD and HHGCCD being collectively referred to as "Sellers"), and GREENPOINTE COMMUNITIES, LLC, a Florida limited liability company ("Buyer"), effective as of the Effective Date (defined in Section 36), with reference to the following facts:

A. Sellers are the owners of certain parcels of land located in Lee County ("County"), Florida, which constitute the master-planned residential community commonly known as "River Hall" (sometimes referred to as the "Development"), as depicted on Exhibit "A" attached hereto ("Land").

B. A portion of the Land, as identified on Exhibit "A", has been developed into the single-family community known as "Hampton Lakes at River Hall," which has been made subject to that certain Declaration of Covenants and Restrictions for Hampton Lakes at River Hall, recorded on December 6, 2005, as Instrument No. 2005000153003 of the public records of Lee County, Florida ("Public Records"), as amended and supplemented ("Hampton Lakes Declaration").

C. A portion of the Land, as identified on Exhibit "A", has been developed into a golf course community known as "River Hall Country Club," which has been made subject to that certain Declaration of Covenants and Restrictions for River Hall Country Club, recorded on December 6, 2005, as Instrument No. 2005000153067 of the Public Records, as amended and supplemented ("Country Club Declaration").

D. A portion of the Land, as identified on Exhibit "A", has been developed into an amenities center serving both the Hampton Lakes at River Hall community and the River Hall Country Club community, which amenities center is known as the "Town Hall." The portion of the Land which has been developed into the Town Hall, together with the platted portions of the Hampton Lakes at River Hall community and the River Hall Country Club community, are encumbered by that certain Declaration of Covenants and Restrictions for Town Hall Amenities Center, recorded on November 8, 2005, as Instrument No. 2005000109542 of the Public Records, as amended and supplemented ("Town Hall Declaration").

E. Sellers are debtors-in-possession pursuant to that certain Chapter 11 Case No. 09-11507 (CAG), styled *In re Crescent Resources, LLC, et al, Debtors* ("Bankruptcy Action"), in the United States Bankruptcy Court for the Western District of Texas, Austin Division ("Bankruptcy Court").

F. Sellers desire to sell to Buyer, and Buyer desires to purchase from Sellers the Property (defined in Section 1 below), subject to the terms and conditions of this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereby agree as follows:

I. SALE AND PURCHASE: PROPERTY. Sellers agree to sell and assign to Buyer, and Buyer agrees to purchase and assume from Sellers, the Property and all obligations associated therewith, subject to the terms and conditions of this Agreement. The "Property" shall be defined as and consist of all of Sellers' right, title and interest in and to all manner and aspects of the real property, and tangible and intangible personal property associated with the Development, of whatever scope, content, form or medium, including, without limitation, the following:

(a) All of the Land.

(b) All of the improvements owned by Sellers that are located on the Land, including buildings, utility facilities, and appurtenances thereto (collectively, the "Improvements").

(c) All of Sellers' right, title and interest in and to the names "River Hall," "Hampton Lakes at River Hall," "River Hall Country Club," "Town Center," the Internet domain name "www.riverhall.cc.com," and all websites, phone numbers, copyrights (whether registered or under common law), trade names, trademarks, logos and other intellectual property rights associated therewith, whether in print or computerized format (collectively, the "Identification Materials").

(d) All of Sellers' marketing and sales materials, design plans, conceptual plans, drawings, schematics, art archives, and print, radio and Internet advertising materials associated and/or used in connection with the Development, including Sellers' computerized "L" and "G" drives containing publicly-accessible marketing materials (collectively, the "Sales Materials").

(e) All furniture, fixtures and equipment owned by Seller, located on the Lands and utilized by Seller in connection with its sales and marketing operations, including, without limitation, all furniture, fixtures, equipment and furnishings located in the sales office located at 2401 River Hall Parkway, Alva, Florida 33920 (collectively, the "Personal Property").

(f) All of Sellers' interest as lessee under any and all equipment leases, billboard leases, or any other leases associated with any aspect of the Development, which leases are identified in Exhibit "B" attached hereto (collectively, the "Personal Property Leases").

(g) All of Sellers' rights, interests and obligations (accruing from and after Closing (defined in Section 6(d) below) under any management, service, maintenance, vendor or bulk service agreements associated with the Development, including those identified in Exhibits "C" attached hereto (collectively, the "Service Agreements").

(h) All development agreements, licenses, permits, plans, certificates and similar forms of authorizations or approvals to develop, occupy, and or operate the Development identified on Exhibit "D" attached hereto (collectively, the "Permits and Approvals").

(i) All of Sellers' rights under all contracts for the sale of any portion of the Land, which contracts are identified in Exhibit "E" attached hereto (collectively, the "Sales Contracts").

(j) All of Sellers' rights and obligations (accruing from and after Closing) as "developer" and/or "declarant" under the Hampton Lakes Declaration, the Country Club Declaration, and the Town Hall Declaration.

2. PURCHASE PRICE: DEPOSIT.

(a) Purchase Price. The purchase price for the Property ("Purchase Price") shall be One Million Three Hundred Thousand Dollars (\$1,300,000.00), subject to adjustments and prorations in accordance with this Agreement. At Closing, Buyer shall deliver the Purchase Price in cash by wire transfer of immediately available funds to Escrow Agent's account. If the Deposit (defined below) was delivered in the form of cash or converted to cash, then Buyer shall receive a credit against the Purchase Price at Closing in the amount of the Deposit. If the Deposit was delivered in the form of the LOC (defined below), then, at Closing, Buyer shall not receive a credit therefor, and the original LOC shall be returned to Buyer.

(b) Deposit. Within one (1) business day after the Effective Date, Buyer shall deliver to Donna J. Feldman, P.A., 19321-C U.S. Highway 19 North, Suite 600, Clearwater, Florida 33764, as escrow agent ("Escrow Agent") a deposit in the amount of Fifty Thousand Dollars (\$50,000.00) (the "Deposit") in the form of cash or letter of credit ("LOC"). If the Deposit is delivered in the form of cash, then Escrow Agent shall hold the Deposit in a federally insured interest bearing trust account, and all interest shall follow the Deposit. The Deposit shall remain fully refundable until the time set forth in Section 3(b), at which time it shall become non-refundable to Buyer, unless Sellers are in default of this Agreement and fails to cure such default within any time period afforded for cure, or Buyer terminates this Agreement pursuant to a right expressly set forth in this Agreement. If delivered in cash or converted to cash, the Deposit shall apply to, and be credited against the Purchase Price at Closing.

(c) LOC. If the Deposit is delivered in the form of the LOC, the LOC shall (i) name Escrow Agent as the sole beneficiary, (ii) be issued by a nationally-recognized lending institution with offices located in the State of Florida, (iii) have an expiry date that is at least six (6) months after the Effective Date, and (v) state that it may be drawn upon by Escrow Agent upon presentation of the original LOC together with either (A) a certificate signed by an authorized representative of Sellers stating that Buyer is in default of this Agreement, and has failed to cure such default with any time period that may be afforded under this Agreement, or (B) a certificate signed by Escrow Agent stating that the LOC is scheduled to expire in thirty (30) days or less (in accordance with the terms and conditions set forth below). In the event that the LOC is anticipated to expire prior to the date which is thirty (30) days after the scheduled Closing Date (defined in Section 6(d)), and is not otherwise anticipated to be renewed, then Buyer shall replace the LOC with cash or renewal thereof at least thirty (30) days prior to the expiration of the LOC. If Buyer fails to so renew or replace the LOC, then Sellers may deliver written notice to Buyer and Escrow Agent demanding that the LOC be drawn upon. If Buyer fails to renew or replace the LOC within ten (10) days after

the date of such notice, then Escrow Agent shall present the LOC for payment, as provided above, and then hold the Deposit in accordance with the terms of this paragraph.

3. BANKRUPTCY COURT PROCEDURE; ASSUMED OBLIGATIONS.

(a) Bankruptcy Court Approval of Transaction.

(i) Buyer acknowledges that (A) pursuant to applicable Federal bankruptcy law, rules and regulations (collectively, the “**Bankruptcy Law**”) Sellers are required to deliver notice (“**Sale Notice**”) and seek approval of the Agreement and authority to proceed with the transaction contemplated hereby (“**Transaction**”) from the United States Trustee for the Western District of Texas, the Debtor-in-Possession Credit Facility Lenders’ Agents, the counsel to the creditor committee associated with the Bankruptcy Action, and the counterparties to any of the Service Agreements, Personal Property Leases, Permits and Approvals, CDD Developer Agreements (defined in Section 7), Sales Contracts (defined in Section 10), and Security Obligations (defined in Section 11) which constitute executory contracts pursuant to Bankruptcy Law (collectively, the “**Notice Parties**”) to effectuate the Transaction; (B) the Notice Parties have the express right to object to the Agreement and the Transaction; and (C) Sellers may only proceed with and consummate the Transaction if Sellers obtain authority from the Bankruptcy Court through either the Non-Objection Approval Process or the Objection Approval Process (each as defined below), with such authority being an express condition precedent to Sellers’ obligation to consummate the Transaction and the Closing, which condition may not be deemed waived.

(ii) Sellers shall deliver the Sale Notice to the Notice Parties promptly after receiving the Assumption Notice (defined in subsection (b) below) from Buyer. If after passage of the notice period established by the Non-Objection Conveyance Order (defined below), as may be extended in accordance therewith, none of the Notice Parties object to the Transaction, then Sellers will have Bankruptcy Court authority to proceed with the consummation of the Transaction under the *Order Pursuant to Sections 105, 363, and 365 of the Bankruptcy Code Authorizing Asset Conveyances Pursuant to Certain Conveyance Procedures and Lien Procedures, Clear of All Liens, Claims and Encumbrances*, dated August 17, 2009 (such Order being referred to as the “**Non-Objection Conveyance Order**,” and the resultant process being referred to as the “**Non-Objection Approval Process**”). If, however, one or more of the Notice Parties object to the Transaction within the requisite time period, then Sellers shall seek authority to proceed with the Transaction by way of a separate Bankruptcy Court motion and order (“**Objection Approval Process**”).

(iii) Sellers shall notify Buyer immediately upon receiving approval or disapproval of the Transaction and this Agreement, or upon passage of the objection period resulting in Sellers’ deemed authority to proceed with the Transaction pursuant to the Non-Objection Conveyance Order. In addition, Sellers shall keep Buyer apprised of Sellers’ efforts to obtain authority through the Bankruptcy Court processes to consummate the Transaction, including, without limitation, notifying Buyer upon Sellers receiving written or oral notification that any of the Notice Parties have an objection to the Transaction, identifying such Notice Party and the basis of such objection or potential objection. Sellers and Buyer shall cooperate in good faith with each other in seeking to address any such objection or potential objection. If, at any time during the Bankruptcy Court process, Sellers and Buyer determine in their mutual reasonable discretion that a modification

to the Assumption Notice and/or an amendment to this Agreement is desirable and appropriate to address any objection or potential objection of a Notice Party, then Buyer shall have the right to submit a modification to the Assumption Notice and/or Buyer and Sellers shall negotiate in good faith an amendment to this Agreement (with such modification to the Assumption Notice and/or amendment to this Agreement, if such amendment is agreed upon by the Sellers and Buyer, being referred to as the **"Modified Transaction"**), and the parties shall follow the processes provided for in Sections 3(a) and 3(b) of this Agreement as to the Modified Transaction, including, without limitation, sending a new Sale Notice if required by the Non-Objection Conveyance Order or Bankruptcy Law.

(iv) If Sellers are not authorized to consummate the Transaction or a Modified Transaction through either the Non-Objection Approval Process or the Objection Approval Process within one hundred twenty (120) days after the Effective Date (**"Bankruptcy Court Approval Period"**), then either Sellers or Buyer may elect, by delivery of written notice to the other party, to terminate this Agreement, in which event the Deposit shall be returned to Buyer, and the parties shall have no further obligations to each other under this Agreement, except as stated expressly to survive termination.

(b) Assumption Procedure. Within fifteen (15) days after the Effective Date, Buyer shall review each of the Service Agreements, Personal Property Leases, the Permits and Approvals, CDD Developer Agreements, Sales Contracts, and Security Obligations, and obligations associated therewith and arising thereunder, and notify Sellers in writing (**"Assumption Notice"**) of any of the foregoing that Buyer desires to assume as of Closing (**"Assumed Obligations"**). Buyer shall be deemed to have elected to not accept assignment of any obligations which Buyer does not identify in the Assumption Notice. In the event Buyer submits a Modified Transaction as contemplated in subsection (a) above, the terms Assumption Notice and Assumed Obligations shall be modified to mean the Assumption Notice and Assumed Obligations delivered in connection with the Modified Transaction. At Closing, Sellers shall assume all of the Assumed Obligations, and then Sellers shall assign to Buyer, and Buyer shall assume the Assumed Obligations pursuant to one or more assignment and assumption instruments as more specifically contemplated by this Agreement (**"Assignment and Assumption Agreements"**). If any amounts are required to be paid to the parties to the Assumed Obligations to cure any monetary defaults thereunder, then Buyer shall be responsible therefor, and shall pay such amounts, in addition to the Purchase Price, at Closing, and Sellers shall have no obligation in that regard. Additionally, at Closing, Sellers shall assume, and then Sellers shall assign to Buyer all of the Permits and Approvals pursuant to an assignment and assumption agreement contemplated by this Agreement.

(c) Third-Party Consents. Exhibits **"B"**, **"C"**, **"D"**, **"E"**, and **"F"** attached hereto each note those agreements as to which third-party consents are required for assignment thereof (**"Third Party Consents"**). To the extent that any such agreements constitute executory contracts pursuant to Bankruptcy Law, as determined by Sellers' bankruptcy counsel, notice of which shall be provided within five (5) business days after receipt of Buyer's Assumption Notice, then Sellers shall obtain any necessary consent to assignment of each of such agreements, and Buyer shall cooperate with Sellers' efforts in that regard. To the extent that any such agreements do not constitute executory contracts pursuant to Bankruptcy Law, as determined by Sellers' bankruptcy counsel, then

Buyer shall obtain any necessary consent to assignment, and Sellers shall cooperate with Buyer's efforts in that regard. Obtainment of such third-party consents shall be a condition to Closing for the benefit of Sellers and Buyer.

4. INSPECTION PERIOD.

(a) Inspection Period. This Agreement is expressly contingent on Buyer's approval and acceptance, in its sole discretion, of the feasibility of the transaction contemplated by this Agreement. Such feasibility analyses may include, without limitation, the analysis contained in any environmental study obtained by Buyer; status of utilities and access to the Property; zoning and land use designations of the Property, and other Permits and Approvals; the status of entitlements associated with the development of the Property; status of the Sales Contracts; the financial obligations associated with the CDD; the operations of the Hampton Lakes at River Hall Homeowners' Association, Inc., a Florida not-for-profit association ("**Hampton Lakes Association**"), the River Hall Country Club Homeowners Association, Inc., a Florida not-for-profit corporation ("**Club Association**"), and the Town Hall Amenities Center Association, Inc., a Florida not-for-profit corporation ("**Town Hall Association**"); review and analysis of the Materials (defined in subsection (d) below); and any other matters deemed appropriate or desirable in Buyer's sole and absolute discretion. Buyer shall have the period ("**Inspection Period**") from the Effective Date until the date which is forty-five (45) days after Sellers notify Buyer that Sellers have obtained authority through the Bankruptcy Court process provided in Section 3(a) to consummate the Transaction, in which to cause Sellers to receive written notice of Buyer's approval or disapproval of the feasibility of the transaction contemplated by this Agreement. If Sellers have not received such written notice prior to expiration of the Inspection Period, then Buyer shall be deemed to have disapproved the feasibility of this transaction. If Buyer timely provides written notice of disapproval or is deemed to disapprove, then the Deposit shall be returned to Buyer, this Agreement shall be deemed terminated, and the parties shall have no further obligations to each other, except as expressly stated to survive termination. If Buyer approves the feasibility of this transaction, then the Deposit shall thereupon become non-refundable in accordance with Section 2(b).

(b) Right of Entry. Sellers hereby grant Buyer, from the Effective Date until Closing or earlier termination of this Agreement, the right, license, permission and consent for Buyer and Buyer's employees, contractors, agents or representatives (collectively, "**Buyer's Agents**") to enter upon the Land for the purposes of inspecting the Property, and performing tests, studies and analyses on and within the Land; provided, however, that Buyer shall not have the right to perform any invasive or physically damaging studies or analyses with respect to any of the Improvements located within the Land. Buyer shall indemnify, defend and hold Sellers harmless from and against any and all liabilities, damages, costs, expenses, suits and actions that may be incurred or suffered by Sellers, or either of them, as a result of the acts or omissions of Buyer or Buyer's Agents in connection with Buyer's exercise of its rights under this subsection, except that such obligations of Buyer shall not extend or apply to (i) any loss, liability cost or expense to the extent arising from or relating to the acts or omissions of Sellers, (ii) any diminution in value of the Property arising from or relating to matters discovered by Buyer during its feasibility analysis, (iii) any latent defects in the Property, and (iv) release or spread of any hazardous materials or regulated substance discovered by Buyer on or beneath the surface of the Land. Buyer agrees to promptly refill holes dug and otherwise

to repair any damage to the Property as a result of its activities. Buyer will permit no lien to attach to the Property as a result of its activities or the activities of Buyer's Agents. Buyer shall obtain liability insurance naming Sellers, as additional insureds in an amount not less than \$1,000,000.00 combined single limits with respect to all such activities conducted by Buyer or at Buyer's direction as to the Property. If requested by Sellers, Buyer shall deliver evidence of such insurance to Sellers prior to commencing any work on or associated with the Property. The provisions of this subsection, including the indemnification provisions, shall survive Closing and any termination of this Agreement.

(c) Materials. If not previously delivered to Buyer, then on or before five (5) business days after the Effective Date, Sellers shall deliver to Buyer or make reasonably available to Buyer at Sellers' sales office located at the Property or at Sellers' consultants' offices, copies of all of the following: (i) any and all environmental studies, geotechnical tests, boundary and topographical surveys, title insurance commitments and policies to the extent in Sellers' possession or reasonably available to Sellers; (ii) the Permits and Approvals; (iii) the Sales Contracts; (iv) the Service Agreements; (v) Hampton Lakes Declaration, Country Club Declaration and Town Hall Declaration, and respective bylaws and articles of incorporation, together with all amendments thereto; (vi) the Personal Property Leases; (vii) the CDD Developer Agreements (defined in Section 7(b)); and (viii) a list, current as of the Effective Date, of all prospects with respect to individual lot sales ("**Sales Prospect List**") (all of the foregoing sometimes being collectively referred to herein as the "**Materials**"). In the event of any termination of this Agreement prior to Closing, Buyer shall return all of the Materials to Sellers within seven (7) days thereafter.

(d) Consultants. Sellers shall direct Barraco & Associates, Inc., Rizzetta & Company, Incorporated, Melrose-Sovereign Companies, and any other of Sellers' engineers and consultants involved in the Development (collectively, the "**Consultants**") to cooperate with Buyer in Buyer's due diligence efforts, at no cost or expense to Sellers, and provided that the Consultants shall not be required to disclose, divulge or otherwise provide to Buyer any information which they or Sellers deems proprietary or confidential to Sellers. Buyer shall have the right to contact directly any of the Consultants, provided that Buyer keeps Sellers informed as to such contacts, communications and meetings, and allows a representative of Sellers to be present at any meetings if Sellers so elects.

(e) Personal Property Inventory. During the Inspection Period, Sellers and Buyer shall cooperate to inventory the items of Personal Property, and prepare a list to be approved by both parties, prior to the expiration of the Inspection Period. The parties shall update the list immediately prior to the Closing Date, and such updated lists shall be used for purposes of Sellers' conveyance of the Personal Property to Buyer at Closing.

(f) Closing Document Preparation. Promptly after the Effective Date, Sellers shall cause their counsel to prepare drafts of the various documents contemplated by this Agreement that are required to be delivered at Closing ("**Closing Documents**"). Sellers shall cause drafts of the Closing Documents to be delivered to Buyer and Buyer's counsel for review, and the parties shall, in good faith, negotiate the form and substance of the Closing Documents during the Inspection Period.

5. TITLE; SURVEY.

(a) Delivery of Title Commitment; Permitted Exceptions. Within twenty (20) days after the Effective Date, Sellers shall, at Sellers' expense, procure a title commitment for title insurance covering the Land, issued by Chicago or Old Republic National Title Insurance Company ("Title Company"), through Donna J. Feldman, P.A., as title agent ("Title Agent"), together with legible copies of all recorded documents referenced therein (collectively, the "Commitment"). The Commitment shall evidence the Title Company's agreement to issue to Buyer, upon recording the Deeds (defined in Section 6(b)), a standard owner's ALTA policy in the amount of the full Purchase Price, without exception for any matters other than (i) all outstanding real property taxes, whether for the year of Closing or prior years; (ii) all matters associated with the CDD, including, without limitation, any assessments owed to the CDD, whether for the year of Closing or prior years, and whether appearing on the tax rolls or billed directly by the CDD financial manager; (iii) applicable zoning and governmental regulations; and (iv) easements, covenants, restrictions and other matters reflected in the Commitment that are approved, deemed approved, waived as objections or deemed waived by Buyer pursuant to the terms hereof (collectively, the "Permitted Exceptions").

(b) Title Review. Buyer shall have until fifteen (15) days prior to expiration of the Inspection Period in which to examine the Commitment and the Surveys (as defined below) and to give written notice to Sellers, and Sellers' attorney, of any title or survey matters Buyer finds objectionable, in Buyer's sole discretion. If Buyer fails to give such notice, Buyer shall be deemed to have approved all matters contained in the Commitment and the Surveys. Sellers shall have ten (10) days from the actual receipt of Buyer's notice of disapproval, if any, to deliver written notice to Buyer electing either to cure the objections or defects so specified prior to Closing, or take no action. Sellers shall have no obligation to cure any disapproved matters, or if such cure is commenced, to continue such efforts. Without limiting the generality of the foregoing, Sellers shall have no obligation to satisfy, cure and/or cause the release of any monetary liens or encumbrances affecting the Property except the existing mortgage and financing instruments in favor of Bank of America, and Buyer acknowledges and agrees that all such matters shall constitute Permitted Exceptions, and Buyer shall take title to the Land subject thereto, if Buyer elects to proceed with the Closing in accordance with the terms and conditions of this Agreement. If Sellers elect not to cure such defects prior to Closing, then Buyer shall have the right, by delivering written notice to Sellers within five (5) days following receipt of Sellers' notice of their election not to cure, to terminate this Agreement and receive the return of the Deposit, or to waive such objections or defects in writing with no reduction in the Purchase Price. If Buyer fails to deliver such notice, Buyer shall be deemed to have waived its prior objections to the Commitment and the Surveys, and its right to terminate this Agreement on account thereof. Any defect or objection waived in writing or deemed waived shall become an additional Permitted Exception.

(c) Surveys. Within two (2) business days after the Effective Date, Sellers, at their cost subject to Buyer's reimbursement obligation as set forth below, shall order updated boundary surveys (the "Surveys") of the Land. Sellers shall cause the Surveys to be completed and delivered to Sellers and Buyer, and their respective counsel, within thirty (30) days after the Effective Date. The Surveys shall (i) reflect all matters shown on the Title Commitment, (ii) meet minimum FLTA standards, and (iii) be certified to Sellers, Buyer, the parties' attorneys, the Title Agent, and

the Title Company. In the event the Surveys shows any encroachments or any improvements upon, from, or onto the Property, or on or between any building setback line, lot line, or any easement, or other matter which is not acceptable to Buyer, in Buyer's sole discretion, Buyer may notify Sellers of such encroachment, easement, or other matter within the time provided in subsection (a) to object to title and survey matters, and the terms of such subsection (a) shall control. If the Closing occurs, then, at Closing, Buyer shall reimburse Sellers for one-half (1/2) of the cost of the Surveys.

(d) Title Update. At least ten (10) days but no more than fifteen (15) days prior to the Closing Date, the Title Company shall provide, at Sellers' expense, an update to the Commitment and copies of any restrictions, liens, encumbrances or other matters not previously approved or deemed approved as a Permitted Exception. If title as shown on the update to the Commitment reflects any new matter or does not otherwise meet the standards required by this Agreement, then Buyer shall so notify Sellers in writing within five (5) days of receipt of the update. Sellers shall have five (5) days from receipt of Buyer's notice to elect whether Sellers will cure the defect. If Sellers elect not to so cure the defect or fails to cure a defect within such 5-day period, then Buyer shall have the option, by delivering written notice to Sellers within five (5) days after expiration of such Sellers' 5-day period, electing either to: (i) accept title as it then stands; or (ii) terminate this Agreement, in which event the Deposit shall be returned to Buyer, and the parties shall have no further obligations to each other hereunder, except as stated to survive termination. Any delay in Closing occasioned by a title defect shall automatically toll the Closing Date. The title insurance policy ("Title Policy") shall be issued by the Title Company promptly after the Closing Date. Sellers shall have no obligations with respect to any title endorsements which Buyer may request and in no event shall Closing be extended due to Buyer's request for any endorsement or any election by Buyer to receive a mortgagee's title insurance policy.

6. CLOSING CONDITIONS; CLOSING; CLOSING PROCEDURES.

(a) Conditions Precedent to the Obligations of Seller and Buyer. The respective obligations of Sellers and Buyer to close the transaction contemplated under this Agreement are subject to the satisfaction, at or prior to Closing, of the following conditions precedent (the "Mutual Closing Conditions"):

(i) Adverse Proceedings. No preliminary or permanent injunction or other order, decree or ruling shall have been issued by a court of competent jurisdiction or by any governmental authority and no applicable law shall have been enacted which make illegal or invalid or otherwise would prevent the consummation of the transaction contemplated under this Agreement.

(ii) Bankruptcy Court Approval. Sellers shall have the authority to consummate the Transaction or Modified Transaction as contemplated in Section 3(a).

(iii) Updated Legal Descriptions; Amendment to Legal Description of Land. Buyer and Sellers acknowledge that the sketch of the Land attached hereto as Exhibit A is preliminary and is subject to creation of final legal descriptions as reflected in the Title Commitment and updated Surveys, and the parties shall use commercially reasonable efforts to agree on a substitute Exhibit A after receipt of the Title Commitment and the Surveys but prior to the expiration

of the Inspection Period, which legal description shall be used in the Deeds described below. Post-Closing, Sellers shall grant such additional conveyances, deeds and assignments, in a form consistent with this Agreement to reflect the parties' intent that the Buyer obtain all of the Property and to reflect any updates required in the legal descriptions post-Closing based on any updated Title Commitment, updated Surveys or otherwise required to carry out the parties' intent with respect to the same.

(b) Additional Conditions Precedent to the Obligations of Buyer. Buyer's obligation to close the transaction contemplated under this Agreement is also subject to the satisfaction at or prior to Closing of the following conditions precedent (the "**Buyer's Closing Conditions**"):

(i) Sellers' Deliveries. Sellers shall have delivered to Buyer for the benefit of Buyer, all of the fully executed Closing Documents and other items set forth in subsection (f) below.

(ii) Representations and Warranties. The representations and warranties made by Sellers in this Agreement shall be true and correct in all material respects as of the Closing Date.

(iii) Title Policy. The Title Company, through the Title Agent, shall have committed to issue an owner's title insurance policy to Buyer (which may be in the form of a mark-up of the Title Commitment) in accordance with the Title Commitment, insuring Buyer's fee simple interest in the Lands as of the Closing Date, subject only to the Permitted Exceptions (the "**Title Policy**").

(iv) Covenants and Obligations. Sellers shall not be in breach or default of its covenants and other obligations under this Agreement in any material respect.

~~(v) Seller's Title Response. Sellers shall have cured any matters undertaken to be cured by Sellers or Sellers shall have delivered notice of its intent to not cure any such objections or defects and the Buyer has waived such objections or defects in writing to Sellers and elected to proceed to Closing, all as contemplated in Section 5(d).~~

The Buyer Closing Conditions are for the benefit of Buyer, and Buyer shall have the right to waive any of the Buyer Closing Conditions at or prior to Closing.

(c) Additional Conditions Precedent to Sellers' Obligations. Sellers' obligation to close the transactions contemplated under this Agreement is subject to the satisfaction at or prior to Closing of the following conditions precedent (the "**Seller Closing Conditions**"):

(i) Buyer's Deliveries. Buyer shall have delivered to Sellers for the benefit of Sellers, all of the fully executed Closing Documents and other items set forth in subsection (f) below.

(ii) Representations and Warranties. The representations and warranties made by Buyer in this Agreement shall be true and correct in all material respects as of the Closing Date.

(iii) Covenants and Obligations. Buyer shall not be in breach or default of its covenants and other obligations under this Agreement in any material respect.

The Seller Closing Conditions are for the benefit of Sellers, and Sellers shall have the right to waive any of the Seller Closing Conditions at or prior to Closing.

(d) Closing. If this Agreement is not terminated previously, the closing of the transaction contemplated by this Agreement (“Closing”) shall occur on the date (“Closing Date”) which is thirty (30) days after the expiration of the Inspection Period. The Closing shall be held at the offices of Escrow Agent and/or by “mail away” procedure.

(e) Conveyance. Sellers shall convey to Buyer by one or more special warranty deeds (the “Deeds”) fee simple title to the Land and the Improvements which is marketable, insurable, and indefeasible, subject only to the Permitted Exceptions, together with assignments of the rights, title, interests and obligations contemplated by this Agreement, and specified below.

(f) Closing Deliveries. On the Closing Date, in addition to the Deeds described in subparagraph (e) above, the parties also shall deliver the following items (“Closing Documents”):

(i) Sellers shall deliver the Deeds, duly executed in form for recordation.

(ii) Sellers shall deliver owner’s affidavits in form sufficient and acceptable to the Title Company so as to allow it to eliminate from the Title Commitment and Title Policy the standard owner’s exceptions for parties’ in possession, mechanic’s lien, and gap, and otherwise reasonably acceptable to the Title Company and the Title Agent.

(iii) Sellers shall deliver non-foreign affidavits which comply with the requirements of Internal Revenue Code Section 1445.

(iv) Sellers shall deliver to the Title Agent proof of entity authority as required by the requirements of the Title Commitment.

(v) Sellers and Buyer shall each deliver counterparts of the Assignments of Declarant’s Rights (defined in Section 8), the Assignment and Assumption Agreements (which Sellers shall cause to be executed by such transferors as appropriate), the Impact Fee Credit Assignment (defined in Section 9(b)), and the Sales Contract Assignments (defined in Section 10(b)).

(vi) Sellers shall deliver the Association Resignations (defined in Section 8) and the CDD Resignations (defined in Section 7).

(vii) Sellers shall deliver one or more special warranty bills of sale with the inventory of the Personal Property attached thereto as prepared in accordance with Section 3(f) above, conveying to Buyer all of the Personal Property.

(viii) Sellers shall deliver to Buyer originals of any of the Materials as to which only copies were provided previously.

(ix) If not previously delivered, Sellers shall deliver evidence of the Bankruptcy Court's approval of the Transaction or Modified Transaction as contemplated in Section 3(a), or a letter from Sellers' bankruptcy counsel addressed to Buyer stating that the time period has passed within which any Notice Party may object to the Transaction and no objection has been filed, and, therefore, that Sellers have authority to consummate the Transaction pursuant to the No-Objection Approval Process.

(x) Buyer shall cause the replacement and/or cancellation of each of the Security Obligations assumed by Buyer as an Assumed Obligation.

(xi) Buyer shall deliver the Purchase Price, together with any other amounts required to be paid by Buyer hereunder.

(xii) Sellers and Buyer shall each deliver counterparts of a closing statement.

In the event Buyer elects to assign all or a portion of this Agreement to more than one entity pursuant to Section 25, Sellers agree to cooperate with Buyer in preparing and delivering the appropriate documents to effectuate the conveyances contemplated by this Agreement to such assignees of Buyer.

(g) Closing Costs.

(i) Sellers' Costs. Sellers shall be responsible and pay for (A) all charges associated with obtaining the Title Commitment, (B) the premium for the Title Policy, (C) the recording fees and any documentary transfer taxes for any corrective title instruments provided by Sellers, (D) the documentary transfer taxes on the Deeds, and (E) one-half (1/2) of the cost of the Surveys. Prior to Closing, the parties shall mutually agree upon the allocation of the Purchase Price among the Lands for documentary transfer tax and title insurance premium purposes.

(ii) Buyer's Costs. Buyer shall be responsible and pay for (A) one-half of the cost of the Surveys, (B) the cost of Buyer's feasibility analyses, (C) the cost of recording the Deeds, and other documents required to be recorded hereunder, except for any corrective title instruments provided by Sellers, and (D) the costs associated with any financing arranged by Buyer, including any simultaneously issued mortgagee's title insurance policy and endorsements.

(i) Prorations; Adjustments. Real estate taxes and assessments, CDD assessments, and all Association assessments shall not be prorated, and Buyer shall take subject to all

of the foregoing at Closing (collectively, the "Non-Prorated Items"). All revenues and expenses with respect to the Property other than the Non-Prorated Items, and applicable to the period of time before and after Closing, determined in accordance with sound accounting principles consistently applied, shall be allocated between Sellers and Buyer as provided herein.

7. CDD MATTERS.

(a) Bond Restructuring. Buyer acknowledges that the CDD has issued certain Series A, long-term bonds ("CDD Bonds"). Sellers acknowledge that Buyer desires to restructure the debt associated with the CDD Bonds in order to make the acquisition of the Property financially feasible. Sellers hereby consent to Buyer contacting and negotiating with the holders of the CDD Bonds, and other persons associated with CDD's operations (including, without limitation, the Board of Supervisors, financial manager, district manager, district counsel, underwriting counsel, and underwriters) regarding the potential restructuring of the CDD Bonds. Sellers shall cooperate with Buyer's efforts, at no out-of-pocket cost or expense to Sellers, and provided Sellers do not incur any additional liability or obligations in connection therewith, whether directly or indirectly as a result of CDD's assessment adjustments or modification of any existing developer agreements or guaranties associated with the CDD. In any event, Buyer shall not be permitted to cause the CDD to issue new bonds, or adjust the assessment methodology of the CDD resulting in any modification to the existing assessments until after Closing. In that regard, Sellers hereby consents to Buyer disclosing the existence of this Agreement and the Transaction to the CDD bond underwriter and bondholders, and to permit the CDD bond underwriter to disclose such information to CDD bondholders and any potential CDD bond purchasers. Sellers shall use their best efforts during the Inspection Period to obtain estoppels from the CDD financial manager as to the current amount of the total principal and interest outstanding with respect to the CDD Bonds.

(b) CDD Developer Obligations. Buyer acknowledges that Sellers, in its capacity as developer, entered into those certain agreements and commitments identified on Exhibit "F" attached hereto, pertaining to the establishment and operation of the CDD and the issuance of the CDD Bonds (collectively, the "CDD Developer Agreements"). At Closing, Sellers shall assume, and then assign to Buyer, and Buyer shall assume from Sellers, those CDD Developer Agreements which are included in the Assumed Obligations. Such assignment and assumption shall be included in one or more of the Assignment and Assumption Agreements.

(c) CDD Assessments. Buyer shall purchase the Property subject to all existing and pending assessments of the CDD, and Buyer shall be solely responsible for payment of any annual installments of principal and interest, and operation and maintenance assessments required to be paid by the owner of the Property whether prior to or after the Closing.

(d) CDD Resignations. At and as a condition to Closing, Sellers shall deliver to the CDD, with copies to Buyer, the resignation of all supervisors from the CDD Board of Supervisors and all officers of the CDD ("CDD Resignations"). The current CDD Supervisors and officers are listed on Exhibit "G" attached hereto. Sellers shall cooperate with Buyer, to the extent permitted by applicable law, to elect Buyer's representatives to the Board of Supervisors. The foregoing covenant shall survive the Closing.

8. ASSOCIATION MATTERS. The current members of the Board of Directors and officers of each Association are listed on Exhibit "G" of this Agreement. At and as a condition to Closing, Sellers shall deliver to Buyer the written resignation of all such persons ("Association Resignations"). At Closing, Sellers shall assume, and then assign to Buyer any and all of Sellers' rights and obligations as declarant and/or developer under the Hampton Lakes Declaration, the Country Club Declaration, and the Town Hall Declaration, including, without limitation, any subsidy or deficiency obligation of Sellers pursuant to each such Declaration. Such assignments shall be set forth in instruments in recordable form and substance acceptable to all parties, pursuant to which Buyer shall acknowledge and agree to such assignments ("Assignments of Declarant's Rights"). In accordance with Sections 720.401, *Florida Statutes*, attached to this Agreement as Exhibits "H-1," "H-2," and "H-3" are the Homeowner's Association/Community Disclosures required by Florida law as to each Association. In accordance with Florida law, Buyer has executed such disclosures concurrent with executing this Agreement.

9. PERMITS AND APPROVALS.

(a) Assignment. At Closing, Sellers shall, to the extent necessary, assume, and then assign to Buyer, and Buyer shall accept and assume from Sellers all Permits and Approvals, including all engineering work product, construction plans and site plans, and all professional and construction service contracts associated with obtaining the Permits and Approvals not otherwise assigned to the CDD. Such assignment and assumption shall be included in the Assignment and Assumption Agreement.

(b) Impact Fee Credits. At Closing, Sellers shall assign to Buyer any and all impact fee credits held or attributable to Sellers, but not any impact fee credits held or attributable to the CDD, by a separate assignment instrument which will be acceptable to the County as evidence of the assignment thereof ("Impact Fee Credit Assignment"). Sellers do not make any representation or warranty as to the amount or type of credits available with the County.

10. SALES CONTRACTS.

(a) Assignment. Sellers have entered the Sales Contracts identified on Exhibit "E" with respect to the development and sale of portions of the Land. As to each Sales Contract, Sellers have continuing rights or obligations thereunder as provided therein. At Closing, Sellers shall assume the Sales Contract, and then Sellers and Buyer shall enter into assignment and assumption instruments as to each Sales Contract which constitutes an Assumed Obligation, whereby Sellers shall assign to Buyer, and Buyer shall assume from Sellers, all of Sellers' rights and obligations thereunder ("Sales Contract Assignments"). The Sales Contract Assignments shall provide for Sellers' assignment and transfer to Buyer of any deposits still held pursuant to any of the Sales Contracts constituting Assumed Obligations.

(b) Sales Proceeds. If Seller closes the sale of any portion of the Land pursuant to a Sales Contract prior to Closing, then Buyer shall receive a credit against the Purchase Price for the amount of the net proceeds paid to Sellers from such sale.

11. SECURITY OBLIGATIONS. Sellers have disclosed to Buyer the existence of the outstanding security instruments, and obligations associated therewith, which are listed on Exhibit "I" attached hereto (collectively, the "Security Obligations"). Buyer shall include in the Assumption Notice any of the Security Obligations which Buyer intends to replace as of Closing. Regardless of whether Buyer includes any of the Security Obligations in the Assumption Notice, Seller shall not be under any obligation to Buyer, whether prior to or after Closing, to renew, maintain or replace any of the Security Obligations, whether expiring, due for cancellation, or otherwise. Buyer shall have the right during the Inspection Period to contact the parties benefited by any of the Security Obligations, together with a representative of Seller, to negotiate the release, reduction or modification of any of the Security Obligations for the benefit of Buyer and in connection with Buyer determining which Security Obligations, if any, to include in the Assumption Notice.

12. EMPLOYEES. From and after the expiration of the Inspection Period, Sellers shall make available to Buyer, and Buyer may interview Sellers' employees associated directly with the ongoing sales, marketing and operation of the Development ("Development Employees") to determine if Buyer desires to engage any of the Development Employees after Closing. If Buyer elects to hire any of the Development Employees, then Buyer shall notify in Sellers at least five (5) business days prior to Closing, and as of Closing, Sellers shall terminate such Development Employees and Buyer shall hire such Development Employees. Sellers shall be responsible for all payroll, employment-related taxes, benefits, and other costs and expenses ("Employment Expenses") associated with all Development Employees, including those who Buyer elects to hire, applicable to the period of time prior to Closing, and Buyer shall be responsible for all Employment Expenses applicable to any period of time from and after Closing for any of the Development Employees Buyer elects to hire. Sellers shall be solely responsible for relocating or terminating as of the Closing Date all Development Employees who Buyer does not elect to hire, and any severance or other termination compensation associated therewith (collectively, "Termination Expenses"), subject to the terms of this subsection. The parties shall cooperate to provide for the orderly transition of all employment-related matters, including any disclosures that will be made to any Development Employees regarding the sale and transfer of the Development. If Buyer does not elect to hire one or more of the Development Employees, then Buyer shall not have the right to hire such Development Employees for a period of six (6) months after Closing, unless Buyer reimburses Sellers for the Termination Expenses incurred by Sellers with respect to such Development Employee. This obligation of Buyer shall expressly survive Closing.

13. REPRESENTATIONS AND WARRANTIES.

(a) Buyer's Representations and Warranties. To induce Sellers to enter into this Agreement and to consummate the Transaction, Buyer hereby makes the representations and warranties in this Section 13(a) upon which Buyer acknowledges and agrees that Sellers are entitled to rely. The representations and warranties shall be deemed remade as of Closing.

(i) Buyer is duly organized, existing and in good standing under the laws of the State of Florida, and has not filed, voluntarily or involuntarily, for bankruptcy relief within the

last six (6) months under the laws of the United States Bankruptcy Code, nor has any petition for bankruptcy or receivership been filed against Buyer within the last six (6) months.

(ii) Buyer or its permitted assignee, as applicable, has full power and authority to execute and deliver this Agreement and all documents now or hereafter to be executed and delivered by Buyer under this Agreement, and to perform all obligations arising under this Agreement and such other documents. The execution by the undersigned on behalf of Buyer, and the delivery and performance of this Agreement by Buyer has been duly and validly authorized by all necessary action on the part of Buyer. Each of this Agreement and the Closing Documents to be executed and delivered by Buyer or its permitted assignee, and such other documents now or hereafter to be executed and delivered by Buyer or its permitted assignee under this Agreement, when executed and delivered, will constitute the legal, valid and binding obligations of Buyer enforceable against Buyer and its permitted assignee in accordance with its terms.

(iii) No filing with, and no permit, authorization, consent or approval of, any governmental authority or other person is necessary for the consummation by Buyer of the transaction contemplated in this Agreement. Neither the execution and delivery of this Agreement by Buyer, nor the consummation by Buyer of the transaction contemplated in this Agreement, nor compliance by Buyer with any of the terms of this Agreement will: (A) violate any provision of the organizational or governing documents of Buyer; (B) violate any applicable law to which Buyer is subject; or (C) result in a violation or breach of or constitute a default under any contract, agreement or other instrument or obligation to which Buyer is a party or by which any of Buyer's properties are subject.

(iv) Buyer has not dealt with any person who has acted, directly or indirectly, as a broker, finder, financial adviser or in such other capacity for or on behalf of Buyer in connection with the transaction contemplated by this Agreement in any manner which would entitle such person to any fee or commission in connection with this Agreement or the transaction contemplated in this Agreement.

(b) Sellers' Representations and Warranties. To induce Buyer to enter into this Agreement and to consummate the Transaction, Sellers hereby make the representations and warranties in this Section 13(b), upon which Buyer is entitled to rely subject to the limitations in subsection (c). The representations and warranties shall be deemed remade as of Closing.

(i) Sellers are the fee simple owners of the Land.

(ii) Sellers have not received notice of any pending or threatened condemnation or similar proceeding affecting the Property or any portion thereof, nor have Sellers knowledge that any such action is presently contemplated.

(iii) Sellers have not received notice of any legal actions, suits or other legal or administrative proceedings, pending or threatened, that affect the Property or any portion thereof, nor have Sellers knowledge that any such action is presently contemplated.

(iv) All of the Materials delivered by Sellers to Buyer are complete as to the matters represented thereby, and are accurate in all material respects.

(v) Sellers are each duly organized, existing and in good standing under the laws of the State of Delaware and are in good standing and authorized to transact business in the State of Florida.

(vi) Sellers have full power and authority to execute and deliver this Agreement and all documents now or hereafter to be executed and delivered by Sellers under this Agreement, and to perform all obligations arising under this Agreement and such other documents. The execution by the undersigned on behalf of Sellers, and the delivery and performance of this Agreement by Sellers has been duly and validly authorized by all necessary action on the part of Sellers. Each of this Agreement and the Closing Documents to be executed and delivered by Sellers, and such other documents now or hereafter to be executed and delivered by Sellers under this Agreement, when executed and delivered, will constitute the legal, valid and binding obligations of Sellers enforceable against Sellers in accordance with its terms.

(vii) Sellers have neither given nor received any written notice of any breach or default under any of the Personal Property Leases, Permits and Approvals, Service Agreements, or Sales Contracts which has not been cured.

(viii) Sellers have not received any written notice of a violation of any applicable law with respect to the Property which has not been cured or dismissed.

(ix) Except for obtaining the Bankruptcy Court approval and the Third-Party Consents, no filing with, and no permit, authorization, consent or approval of, any governmental authority or other person is necessary for the consummation by Sellers of the transaction contemplated in this Agreement. Subject to obtaining the Bankruptcy Court approval and the Third-Party Consents, neither the execution and delivery of this Agreement by Sellers, nor the consummation by Sellers of the Transaction, nor compliance by Sellers with any of the terms of this Agreement will: (A) violate any provision of Sellers' organizational or governing documents; (B) violate any applicable law to which Sellers are subject; or (C) result in a violation or breach of, or constitute a default under, any contract, agreement or other instrument or obligation to which Sellers are a party or by which any of Sellers' properties are subject.

(x) Sellers have not dealt with any person who has acted, directly or indirectly, as a broker, finder, financial adviser or in such other capacity for or on behalf of Sellers in connection with the transaction contemplated by this Agreement in a manner which would entitle such person to any fee or commission in connection with this Agreement or the transaction contemplated in this Agreement.

(xi) All Materials provided by Sellers to Buyer pursuant to Subsections 4(c)(ii) through (vii) of this Agreement are true and correct and complete.

(c) Disclaimer.

(i) Except as expressly set forth in this Agreement or any document delivered by Sellers at Closing, and without limiting any representation, warranty or other undertaking of Sellers as set forth in this Agreement, Sellers have not made and do not make any warranty or representation, express or implied as to the merchantability, quantity, quality, physical condition or operation of the Property, zoning, the suitability or fitness of the Property or any improvements thereon, if any, for any specific or general use or purpose, the availability of water, sewer or other utility service, or any other matter affecting or relating to the Property, its development or use including but not limited to, the Property's compliance with any environmental laws. No party is relying on any statement or representations made by any other party not embodied herein or any document to be delivered by Sellers at Closing.

(ii) Buyer hereby expressly acknowledges that (A) no such warranties and representations have been made, except as expressly set forth in the Agreement, (B) it shall be Buyer's obligation to obtain and pay for all commitments for water, sewer and other utilities and to pay the commitment, impact, tap in or other fees and charges therefor (no such fees having been paid by Sellers), (C) the provisions of this Agreement for inspection and investigation of the Property are adequate to enable Buyer to make Buyer's own determination with respect to merchantability, quantity, quality, physical condition or operation of the Property, zoning, suitability or fitness of the Property or any improvements thereon, if any, for any specific or general use or purpose, the availability of water, sewer or other utility service or any other matter affecting or relating to the Property, its development or use, including without limitation, the Property's compliance with any environmental laws, and (D) Buyer has inspected the Property or has caused or will cause such inspection to be made and is or will be thoroughly familiar and satisfied therewith, and, if approved during the Inspection Period, agrees to take the Property in its physical condition, "AS IS, WHERE IS, WITH ALL FAULTS" as of the date of Closing, subject to the express conditions of this Agreement and without limiting any representation, warranty or other undertaking of Sellers as set forth in this Agreement or any document delivered by Sellers at Closing. Sellers shall not be liable or bound in any manner by any verbal or written statement, representation or information made or given by anyone pertaining to the Property, unless specifically set forth in this Agreement or any document delivered by Sellers at Closing, and without limiting any representation, warranty or other undertaking of Sellers as set forth in this Agreement.

(iii) In particular, but without in any way limiting the foregoing, Buyer hereby releases Sellers from any and all potential claims by Buyer as to any and all responsibility, liability and claims for or arising out of the presence on or about the Property (including in the soil, air, structures and surface and subsurface water) of materials, wastes or substances that are or become regulated under or that are or become classified as toxic or hazardous, under any Environmental Law, including without limitations, petroleum, oil, gasoline or other petroleum products, byproducts or waste. As used herein, "Environmental Law" shall mean, as amended and in effect from time to time, any federal, state or local statute, ordinance, rule, regulation, judicial decision, or the judgment or decree of a governmental authority, arbitrator or other private adjudicator by which Buyer or the Property is bound, pertaining to the environment, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of

1980, as amended, the Hazardous Materials Transportation Act, as amended, the Resource Conservation and Recovery Act, as amended, the Clean Air Act, as amended and in the statutes together with the rules adopted and guidelines promulgated pursuant thereto, and all similar statutes together with rules adopted and guidelines promulgated pursuant to the foregoing. The foregoing release shall not be deemed to constitute an indemnification by Buyer of Sellers against claims by third parties against Sellers, nor shall the foregoing preclude Buyer from seeking indemnification from Sellers as a result of any claims brought by a third party against Buyer as to any responsibility, liability and claims for or arising out of the presence on or about the Property of any toxic or hazardous materials under any Environmental Law.

14. SELLERS' COVENANTS.

(a) Contracts. Sellers shall maintain each Sales Contract, Personal Property Lease, Service Agreements, CDD Developer Agreements, Irrigation Agreements, and the Permits and Approvals in full force and effect during the pendency of this Agreement; provided, however (i) Sellers shall not be obligated to provide for the renewal of any expiring or expired Security Obligations, and (ii) Sellers shall not be required to provide any additional funding under any of the CDD Developer Agreements during the pendency of this Agreement regardless of whether or not such funding would otherwise be required. Sellers shall notify Buyer in the event that Sellers receive or deliver any notice of default or any other material communication associated with any of the foregoing, and Sellers shall not amend or modify any of the foregoing, without Buyer's prior written consent, except as may be contemplated by this Agreement.

(b) Property Related Agreements. During the effectiveness of this Agreement, Sellers shall not enter into any new management agreement, maintenance or repair contract, supply contract, lease, or other agreements with respect to the Property, unless (i) any such agreement will not bind Buyer or the Property after the date of Closing, or (ii) Sellers have obtained Buyer's prior written consent to such agreement. If Sellers desire to enter into any new Sales Contracts, then Sellers shall deliver written notice thereof to Buyer, which notice shall set forth the material terms of such contract. If Buyer does not send written notice to Sellers of Buyer's reasonable, specified objection to such Sales Contract within forty-eight (48) hours thereafter, then Sellers shall have the right, but not the obligation, to enter into such Sales Contract, and proceed with the transaction contemplated thereby; provided, however that if the transaction contemplated by such Sales Contract closes prior to the Closing hereunder, then Buyer shall receive a credit against the Purchase Price at Closing equal to the amount of the net proceeds paid to Sellers as a result of such transaction. If such Sales Contract calls for a closing after the Closing, then such Sales contract shall be assigned to, and assumed by Buyer as an Assumed Obligation, together with the other Sales Contracts pursuant to Section 10 above.

(c) Insurance. During the pendency of this Agreement, Sellers shall pay all premiums on, and shall not cancel or voluntarily allow to expire, any of Sellers' insurance policies unless any such policy is replaced, without any lapse of coverage, by another policy or policies providing coverage at least as extensive as the policy or policies being replaced.

(d) Operation of Property Prior to Closing. During the pendency of this Agreement, Sellers shall operate the Property in the same manner in which Sellers have operated the

Property prior to the Effective Date, so as to keep the Property in good condition, reasonable wear and tear excepted, and maintain the existing caliber of the Club operations.

(e) No New Encumbrances. During the pendency of this Agreement, Sellers shall not further mortgage, pledge or encumber the Property or any interest therein to any third party.

15. DEFAULT.

(a) Buyer's Default. Buyer shall be in breach or default under this Agreement if (i) Buyer fails to cure any material breach of any obligation of Buyer under this Agreement within ten (10) days after receipt of written notice thereof; or (ii) Buyer fails to timely complete its purchase of the Property. If any such failure continues beyond any applicable cure period, Sellers may receive and retain the Deposit as liquidated damages for Buyer's default. The parties agree and stipulate that as of the Effective Date, the exact amount of damages for holding the Property off the market would be extremely difficult to ascertain and that the Deposit constitutes a reasonable and fair approximation of such damages and is not a penalty. In the event that Buyer defaults in any post-Closing obligation under this Agreement, Sellers shall have the right to seek and obtain any and all rights and remedies available at law, in equity, and under this Agreement, and all of such rights and remedies shall survive the Closing and recordation of the Deeds. The foregoing shall in no way limit Buyer's indemnification obligations that are specifically provided to survive termination of this Agreement and/or Closing under this Agreement.

(b) Sellers' Default. Sellers shall be in breach or default under this Agreement if: (i) Sellers have knowledge that any representation or warranty made by Sellers herein is false in any material respect; or (ii) Sellers fail to cure its breach of a material covenant or obligation made or undertaken by Sellers hereunder within ten (10) days after Sellers' receipt of written notice thereof; or (c) refuse to convey title to the Property in accordance herewith. Closing shall automatically be extended to allow Sellers to effectuate the above-referenced cures. Upon the event of Sellers' default which remains uncured after any applicable cure period, Buyer shall give Sellers written notice of Buyer's election of one of the following remedies, which shall be Buyer's sole and exclusive remedies on account of Sellers' default: (A) to seek specific performance of Sellers' obligation to convey the Property; or (B) to terminate this Agreement and thereupon receive a return of the Deposit, together with the sum of \$5,000.00. Buyer agrees that it irrevocably waives any right to damages except for the sum of \$5,000.00 provided for above, unless Buyer elects the remedy of specific performance and such remedy is made impossible by Sellers in which event Buyer shall not be subject to the foregoing damages limitation but shall be entitled to seek recovery of Buyer's compensatory damages (but not punitive or consequential damages). In the event that Sellers default in any post-Closing obligation under this Agreement, Buyer shall have the right to seek and obtain any and all rights and remedies available at law, in equity, and under this Agreement, and all of such rights and remedies shall survive the Closing and recordation of the Deeds. The foregoing shall in no way limit Sellers' indemnification obligations that are specifically provided to survive termination of this Agreement and/or Closing under this Agreement.

16. RISK OF LOSS; CONDEMNATION. Sellers shall bear the risk of loss until the Closing.

(a) Eminent Domain. If all or any material portion of the Land is condemned or taken, or Sellers receive a written notice of a condemnation or taking by eminent domain prior to the Closing, Sellers shall notify Buyer within three (3) business days. Buyer shall have the option of either: (i) terminating this Agreement by notice to Sellers within ten (10) days after Sellers give written notice to Buyer and receiving a refund of the Deposit, or (ii) proceeding with the Closing without adjustment in the Purchase Price. If Buyer does not elect, within such 10-day period, to terminate this Agreement, or in the event an immaterial part of the Property is condemned or taken, then this Agreement shall remain in full force and effect and the purchase contemplated herein, less any interest taken by condemnation or eminent domain, shall be effected with no adjustments to the Purchase Price, and upon the Closing, Sellers shall assign, transfer and set over to Buyer all of the right, title and interest of Seller in and to any awards that have been or may be made thereafter for any such taking. If Sellers' notice to Buyer is given within ten (10) days prior to the Closing Date, the Closing Date shall be extended to a date three (3) business days after the expiration of Buyer's ten-day period.

(b) Casualty Damage. If, before the Closing Date, all or any part of the Land and/or Improvements are damaged or destroyed by any casualty, Sellers shall notify Buyer within three (3) business days of learning of such casualty. Buyer shall have the right, by giving notice to Sellers within ten (10) days after Sellers give written notice of the occurrence of such casualty to Buyer, to terminate this Agreement if such casualty is materially adverse, in Buyer's reasonable discretion, to the operation and/or development of the Development, in which event the Deposit shall be refunded to Buyer, and the parties shall have no further obligations to each other, except as stated to survive termination. If Buyer does not exercise its right to terminate this Agreement pursuant to the preceding sentence, then this Agreement shall remain in full force and effect, without adjustment in Purchase Price, and, at Closing, Sellers shall assign to Buyer any insurance proceeds and/or claims which Sellers have received or to which Sellers may be entitled.

17. FURTHER ASSURANCES. Subject to any limitations imposed on Sellers and their affiliates by the Bankruptcy Court, the parties hereto shall cooperate with each other to effectuate the terms and conditions of this Agreement, including executing and delivering any and all additional papers, documents, and other assurances, and taking such actions as reasonably necessary in connection with the performance of their obligations hereunder to carry out the intent of the parties hereto. The foregoing agreement shall survive Closing.

18. BROKER'S COMMISSIONS. The parties warrant and represent to each other that no real estate broker was involved in this transaction. Sellers shall indemnify Buyer against any claim of any broker claiming by, through or under Sellers. Buyer shall indemnify Sellers against any claim of any broker claiming by, through or under Buyer. This warranty and representation shall survive any termination of this Agreement, and delivery of the Deeds and Closing.

19. ATTORNEYS' FEES. In the event litigation is required by either party to enforce the terms of this Agreement, the prevailing party of such action, in addition to all other relief granted or awarded by the court, shall be entitled to judgment for reasonable attorneys' and legal assistants' fees and costs incurred by reason of such action and all costs of mediation, arbitration or suit and those

incurred in preparation thereof at both the trial and appellate levels, and in bankruptcy, probate or post-judgment collection proceedings. The terms of this section shall survive any termination of this Agreement and the Closing.

20. NOTICES. Notices hereunder shall be given to the parties set forth below and shall be made by hand delivery, facsimile with electronic confirmation report, overnight or next business day delivery by a nationally-recognized courier service, or by regular mail. If given by regular mail, the notice shall be deemed to have been given within a required time if deposited in the U.S. Mail, postage prepaid, within the time limit. For the purpose of calculating time limits which run from the giving of a particular notice, the time shall be calculated from actual receipt of the notice, unless delivered by regular mail only in which case such notice shall be deemed received within three (3) days from deposit in the U.S. Mail with postage prepaid. Notices shall be addressed as follows:

If to Sellers:

Hawks Haven Developers, LLC
Hawk's Haven Golf Course Developers, LLC
Attention: Graydon E. Miars
2401 River Hall Parkway
Alva, Florida 33920
Telephone: (239) 274-0321
Facsimile: (239) 274-0517

If to Buyer:

GreenPointe Communities, LLC
Attention: Edward E. Burr
7807 Baymeadows Road East, Suite 205
Jacksonville, Florida 32256
Telephone: (904) 996-2485
Facsimile: (904) 996-2481

With Required Copies to:

Crescent Resources, LLC
Attention: James Page
Palmetto Bluff
11 Village Park Square
Bluffton, South Carolina 29910
Telephone: (843) 706-6403
Facsimile: (843) 757-3306

With a Required Copies to:

Pappas, Metcalf, Jenks & Miller, P.A.
Attention: Lynn Pappas, Esquire
245 Riverside Avenue, Suite 400
Jacksonville, Florida 32202
Telephone: (904) 357-8106
Facsimile: (904) 353-5217

And:

Donna J. Feldman, P.A.
Attention: Donna J. Feldman, Esquire
19321-C U.S. Highway 19 North, Suite 600
Clearwater, Florida 33764
Telephone: (727) 536-8003
Facsimile: (727) 536-7270

Pappas, Metcalf, Jenks & Miller, P.A.
Attention: W. William Li, Esquire
245 Riverside Avenue, Suite 400
Jacksonville, Florida 32202
Telephone: (904) 353-1980
Facsimile: (904) 353-5217

If to Escrow Agent:

Donna J. Feldman, P.A.
Attention: Donna J. Feldman, Esquire
19321-C U.S. Highway 19 North, Suite 600

Clearwater, Florida 33764
Telephone: (727) 536-8003
Facsimile: (727) 536-7270

The failure by any party to deliver a courtesy copy as referenced above shall not constitute a default under the terms of this Agreement nor shall it create a defect in any notice which is otherwise properly given. Furthermore, it is agreed that, if any party hereto is represented by legal counsel, such legal counsel is authorized to deliver written notice directly to the other party on behalf of his or her client, and the same shall be deemed proper notice hereunder if delivered in the manner specified above.

21. SURVIVAL. Notwithstanding any references contained in this Agreement to the effect that, upon a termination of this Agreement, this Agreement shall be null and void and that the parties hereto shall thereafter have no further rights or obligations hereunder, all agreements on the part of one party to indemnify the other party shall survive any such termination of this Agreement and shall be continuing obligations after such termination hereof, unless, as to such particular indemnification obligation, this Agreement provides that it shall terminate upon any termination of this Agreement.

22. ENTIRE AGREEMENT; RECITALS; EXHIBITS. The recitals set forth at the beginning of this Agreement are true and correct, and, together with all Exhibits attached hereto, are hereby incorporated into this Agreement by this reference. This Agreement contains the entire agreement between Sellers and Buyer with respect to the matters set forth herein, and all other representations, negotiations and agreements, written and oral, including any letters of intent which pre-date the Effective Date hereof, with respect to the Property or any portion thereof, are superseded by this Agreement and are of no force or effect.

23. AMENDMENT. This Agreement may be amended and modified only by instrument, in writing, executed by all parties hereto.

24. WAIVER. The failure of any party hereto to enforce any provision of this Agreement shall not be construed to be a waiver of such or any other provision, nor in any way to affect the validity of all or any part of this Agreement or the right of such party thereafter to enforce each and every such provision. No waiver of any breach of this Agreement shall be held to constitute a waiver of any other or subsequent breach.

25. ASSIGNMENT. Buyer shall not have the right to assign this Agreement or any rights or obligations hereunder to any person or entity, except to one or more entities affiliated with Buyer in which Buyer owns at least a fifty-one percent (51%) interest and has voting control. Any such assignments shall be conditioned on such assignees assuming in writing all or the applicable portion of Buyer's obligations under this Agreement, and Buyer shall provide written evidence thereof to Sellers as a condition to the effectiveness of such assignments. Upon any permitted assignment and assumption of all of Buyer's obligations hereunder, Buyer shall be relieved of all liability hereunder.

26. PARTIES BOUND. This Agreement shall be binding upon the parties, their successors and assigns, subject to the provisions and limitations on assignment set forth above.

27. NO THIRD PARTY BENEFICIARIES. This Agreement is for the benefit of the parties hereto only, and may not be relied upon, or enforced by any third parties not specifically named as parties to this Agreement.

28. GOVERNING LAW; VENUE. This Agreement shall be construed by and controlled under the laws of the State of Florida. Without limiting any party's right to appeal any order of the Bankruptcy Court, (a) the Bankruptcy Court shall retain exclusive jurisdiction to enforce the terms of this Agreement and decide any claims or disputes which may arise or result from, or be connected with, this Agreement, any breach or default hereunder, and (b) any and all proceedings related to the foregoing shall be filed and maintained only in the Bankruptcy Court, and the parties hereby consent and submit to the jurisdiction and venue of the Bankruptcy Court; provided, however, that if the Bankruptcy Action has closed, the parties agree to submit to the exclusive jurisdiction of the courts located in Lee County, Florida, and the U.S. District Court for the Middle District of Florida.

29. SEVERABILITY. In the event that any section or portion of this Agreement is determined to be unconstitutional, unenforceable or invalid, such section or portion of this Agreement shall be stricken from and construed for all purposes not to constitute a part of this Agreement, and the remaining portion of this Agreement shall remain in full force and effect and shall, for all purposes, constitute this entire Agreement.

30. CONSTRUCTION OF AGREEMENT. All parties hereto acknowledge that they have had the benefit of independent counsel with regard to this Agreement and that this Agreement has been prepared as a result of the joint efforts of all parties and their respective counsel. Accordingly, all parties agree that the provisions of this Agreement shall not be construed or interpreted for or against any party hereto based upon authorship.

31. TIME. Time is of the essence in this Agreement with regard to all acts and dates imposed on Sellers and Buyer. All time periods and deadlines set forth in this Agreement shall be calculated in calendar days, unless business days are expressly stated. In the event that the date upon which any duties or obligations hereunder are to be performed, or the exercise of any option or right or any deadline hereunder shall occur or be required to occur, shall be a Saturday, Sunday or holiday on which banks in the State of Florida are closed, then, in such event, the due date for performance of any duty or obligation or the exercise of any option or right shall thereupon be automatically extended to the next succeeding business day. All deadlines and time periods shall be deemed to expire or occur, as applicable, at 5:00 p.m. Eastern Time unless otherwise expressly stated herein.

32. PATRIOT ACT. Sellers warrants and represents that (a) Sellers is not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named at any time by the United States Treasury Department as a Specially Designated National and Blocked Person or designated in Presidential Executive Order 13224 (as such order may be amended or modified) as a person who commits, threatens to commit, or supports terrorism, and (b) Sellers is not engaged in or

facilitating the transactions contemplated hereunder directly or indirectly on behalf of any of the aforesaid persons, groups, entities or nations.

33. RECORDING. In no event shall Buyer record this Agreement or any memorandum of this Agreement in the Public Records. Any such recordation or attempted recordation shall be null and void *ab initio*, and shall entitle Sellers to terminate this Agreement for Buyer's default.

34. ESCROW AGENT.

(a) The parties acknowledge and agree that Escrow Agent is acting solely as a stakeholder at the request and for the convenience of the parties in holding the Deposit (and any other funds or deliveries made to Escrow Agent in that capacity pursuant to this Agreement, in which case the terms of this provision shall apply thereto). Escrow Agent shall not be deemed to be the agent of either of the parties in its capacity as escrow agent, and Escrow Agent shall not be liable for any act or omission on Escrow Agent's part unless constituting gross negligence or willful misfeasance. Escrow Agent may rely upon and shall be protected in acting or refraining from acting upon any notice, instruction or request furnished to it by the parties under this Agreement and believed by Escrow Agent to be genuine.

(b) Escrow Agent shall hold the Deposit in its trust account at a federally-insured financial institution; provided, however, that Escrow Agent shall not be responsible or liable for any risk associated with the amount of the Deposit exceeding the then-applicable Federal Deposit Insurance Commission limits for such accounts. The Escrow Agent shall not be responsible for any fluctuations in the interest paid on the Deposit or for penalties due to early withdrawal. Buyer shall provide the Escrow Agent with Buyer's federal tax identification number. Escrow Agent shall not be obligated to place the Deposit in an interest-bearing account unless required by the express terms of this Agreement, and not until the Escrow Agent has been provided with Buyer's federal tax identification number. If placed in an interest-bearing account, all interest earned on the Deposit shall follow the Deposit, unless the Agreement expressly directs otherwise.

(c) Buyer and Sellers both acknowledge and agree that the Escrow Agent shall hold and deliver the Deposit, and all other deposits and deliveries which may be made pursuant to this Agreement, strictly in accordance with the terms and conditions of this Agreement. In the event of a termination, the Deposit shall be released by Escrow Agent to the party entitled thereto pursuant to the terms of this Agreement, without any requirement to obtain or receive the instruction or consent of the other party, unless expressly required by the terms of this Agreement as to such release. If either party makes a written demand upon Escrow Agent for delivery of the Deposit other than in strict accordance with the terms of this Agreement, then Escrow Agent shall give written notice to the other party to the proposed payment. If Escrow Agent does not receive such other party's written objection to the proposed payment within five (5) business days after the giving of such notice, Escrow Agent is hereby authorized to make such payment. If Escrow Agent does receive such written objection within such five (5) business day period, Escrow Agent shall continue to hold the Deposit until otherwise directed by joint written instruction from the parties to this Agreement, or a final judgment or arbitrators' decision.

(d) In the event of any dispute as to the disbursement of the Deposit or any claim thereto by any party or persons other than in strict accordance with this Agreement, Escrow Agent shall have the right to bring a suit in interpleader in the Circuit Court for the county where the Property is located, naming the parties to this Agreement and any other parties as may be appropriate in the opinion of Escrow Agent. Escrow Agent shall be entitled to withhold from the Deposit a sum equal to all costs (including reasonable attorneys' fees and costs) incurred by Escrow Agent in filing such interpleader action prior to placing the balance of the Deposit in the registry of the court. Upon filing of such suit and placing of the balance of the Deposit in the registry of the court, Escrow Agent shall have the right to withdraw from said suit and Escrow Agent shall be relieved and discharged of all further obligations and responsibilities under this Agreement. In addition, Escrow Agent may resign as escrow agent at any time upon giving written notice to the parties; provided, however, that such resignation shall take effect no earlier than ten (10) days after such notice is given. Escrow Agent shall have the right to utilize the services of lawyers within its own firm or any other firm as its attorneys, and such election shall not affect or in any way prejudice or limit Escrow Agent's entitlement to reasonable attorneys' fees and costs for the services rendered.

(e) The parties to this Agreement jointly and severally agree to indemnify and hold Escrow Agent harmless from and against any and all costs, claims or damages against, arising out of, or in connection with this Agreement and/or Escrow Agent's actions or failure to act hereunder, including without limitation the costs and expenses (including reasonable attorneys' fees and costs) of defending itself against the claims of liability hereunder, unless constituting gross negligence or willful misfeasance, which indemnification shall survive Closing and any termination of this Agreement.

(f) Buyer hereby acknowledges that Escrow Agent is also Sellers' attorney in this transaction and hereby waives any potential conflicts arising on account thereof, or on account of Escrow Agent representing itself and Sellers in any dispute that arises under this Agreement. Buyer shall not object to, or request a disqualification of Escrow Agent as counsel for Sellers.

35. RADON. In compliance with Florida law, Sellers hereby disclose to Buyer that radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over a period of time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit

36. PROPERTY TAX DISCLOSURE. BUYER SHOULD NOT RELY ON THE SELLERS' CURRENT PROPERTY TAXES AS THE AMOUNT OF PROPERTY TAXES THAT THE BUYER MAY BE OBLIGATED TO PAY IN THE YEAR SUBSEQUENT TO PURCHASE. A CHANGE OF OWNERSHIP OR PROPERTY IMPROVEMENTS TRIGGERS REASSESSMENTS OF THE PROPERTY THAT COULD RESULT IN HIGHER PROPERTY TAXES. IF YOU HAVE ANY QUESTIONS CONCERNING VALUATION, CONTACT THE COUNTY PROPERTY APPRAISER'S OFFICE FOR INFORMATION.

37. COUNTERPARTS; FACSIMILE AND PDF SIGNATURES. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an

original, but all such counterparts shall constitute one and the same instrument. Facsimile and Portable Document Format ("PDF") signatures shall be binding on the parties hereto.

38. EFFECTIVE DATE. The "Effective Date" shall be the date the last of Sellers and Buyer executes this Agreement.

[Signature page immediately follows.]

IN WITNESS WHEREOF, the parties have each executed this Agreement as of the respective dates set forth below.

SELLERS:

HAWK'S HAVEN DEVELOPERS, LLC,
a Delaware limited liability company

By: 
Graydon E. Miars, Vice President

Date: 2/9/2010

**HAWK'S HAVEN GOLF COURSE
COMMUNITY DEVELOPERS, LLC,**
a Delaware limited liability company

By: 
Graydon E. Miars, Vice President

Date: 2/9/2010

[Signatures continued on following page.]

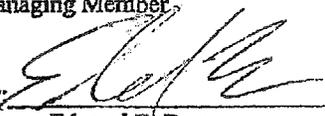
THE RIVER HALL COMMUNITY DEVELOPMENT DISTRICT (THE "DISTRICT") MAY IMPOSE AND LEVY TAXES OR ASSESSMENTS, OR BOTH TAXES AND ASSESSMENTS, ON THIS PROPERTY. THESE TAXES AND ASSESSMENTS PAY THE CONSTRUCTION, OPERATION, AND MAINTENANCE COSTS OF CERTAIN PUBLIC FACILITIES AND SERVICES OF THE DISTRICT AND ARE SET ANNUALLY BY THE GOVERNING BOARD OF THE DISTRICT. THESE TAXES AND ASSESSMENTS ARE IN ADDITION TO COUNTY AND OTHER LOCAL GOVERNMENTAL TAXES AND ASSESSMENTS AND ALL OTHER TAXES AND ASSESSMENTS PROVIDED FOR BY LAW.

BUYER:

GREENPOINTE COMMUNITIES, LLC,
a Florida limited liability company

By: **GREEN POINTE HOLDINGS, LLC,**
a Florida limited liability company

Its: **Managing Member,**

By: 

Edward E. Burr

Sole Member

Date: 2/9/10

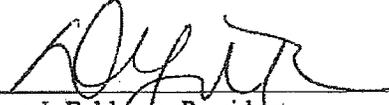
[Signatures continued on following page.]

ACKNOWLEDGEMENT OF ESCROW AGENT

By signing below, the undersigned agrees to act as Escrow Agent for the transaction contemplated by the Agreement to which this page is attached.

ESCROW AGENT:

DONNA J. FELDMAN, P.A.,
a Florida corporation

By: 
Donna J. Feldman, President

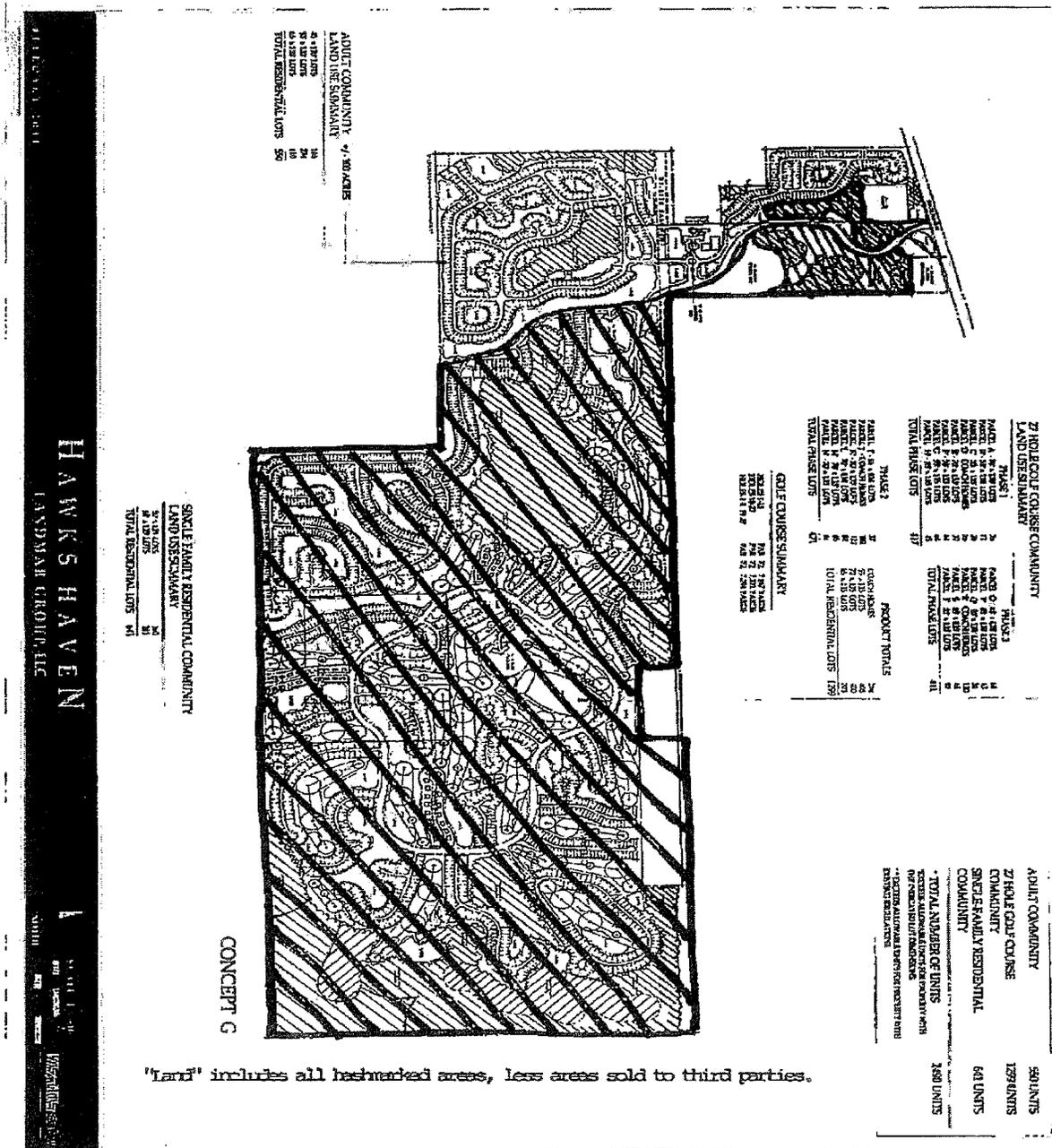
Date: 9/21/10

EXHIBIT LIST

- Exhibit "A" - Sketch of Land
- Exhibit "B" - Personal Property Leases
- Exhibit "C" - Service Agreements
- Exhibit "D" - Permits and Approvals
- Exhibit "E" - Sales Contracts
- Exhibit "F" - CDD Developer Obligations
- Exhibit "G" - Board Members, Officers and Supervisors
- Exhibit "H-1" - Homeowner's Association/Community Disclosure for Hampton Lakes at River Hall
- Exhibit "H-2" - Homeowner's Association/Community Disclosure for River Hall Country Club
- Exhibit "H-3" - Homeowner's Association/Community Disclosure for Town Hall Amenities Center
- Exhibit "I" - Security Obligations

EXHIBIT "A"

SKETCH OF LAND



**ADULT COMMUNITY 47-80 ACRES
LAND USE SUMMARY**

3-1/2' LOTS	144
4-1/2' LOTS	24
5-1/2' LOTS	10
TOTAL RESIDENTIAL LOTS	178

**7-HOLE GOLF COURSE COMMUNITY
LAND USE SUMMARY**

PHASE 1	2	PHASE 2	12
PHASE 1 - 1/2' LOTS	2	PHASE 2 - 1/2' LOTS	12
PHASE 1 - 3/4' LOTS	2	PHASE 2 - 3/4' LOTS	12
PHASE 1 - 1/4' LOTS	2	PHASE 2 - 1/4' LOTS	12
PHASE 1 - 1/8' LOTS	2	PHASE 2 - 1/8' LOTS	12
PHASE 1 - 1/16' LOTS	2	PHASE 2 - 1/16' LOTS	12
TOTAL PHASE LOTS	12	TOTAL PHASE LOTS	12

**SINGLE FAMILY RESIDENTIAL COMMUNITY
LAND USE SUMMARY**

3-1/2' LOTS	24
4-1/2' LOTS	12
5-1/2' LOTS	6
TOTAL RESIDENTIAL LOTS	42

COLE COURSE SUMMARY

PHASE 1	12
PHASE 2	12
TOTAL	24

TOTAL NUMBER OF UNITS

ADULT COMMUNITY	590 UNITS
7-HOLE GOLF COURSE COMMUNITY	1299 UNITS
SINGLE FAMILY RESIDENTIAL COMMUNITY	64 UNITS
TOTAL NUMBER OF UNITS	1853 UNITS

"Land" includes all hatched areas, less areas sold to third parties.

HAWKS HAVEN
LANDMARK CENTER, LLC

EXHIBIT "B"

PERSONAL PROPERTY LEASES

1. Lease by and between IKON Financial Services, as lessor, and Crescent Resources LLC, as customer, commencing _____, and expiring _____ re: photocopier.

2. Rental and Water/Coffee Server Agreement, by and between DS Waters of America, LP, and LandMar Group, LLC, dated January 10, 2005, with a 1-year term, renewing automatically for successive 1-year terms re: water cooler.

EXHIBIT "C"

SERVICE AGREEMENTS

1. Cable Television and Communication Service Access Agreement, made June 1, 2005, by and between Hawk's Haven Developers, LLC, and Time Warner Cable, Inc.
2. Management Services Agreement, made and entered into effective as of May 31, 2007, by and among Town Hall Amenities Center Association, Inc., Hampton Golf, Inc., and Hawk's Haven Golf Course Community Developers, LLC, and Hawk's Haven Developers, LLC, as amended by Amendment made effective as of August 1, 2008, and Second Amendment made effective as of February 1, 2009.
3. Amended and Restated Management Services Agreement, made and entered into effective as of August 1, 2008, by and among River Hall Country Club Homeowners' Association, Inc., Hampton Golf, Inc., and Hawk's Haven Golf Course Community Developers, LLC, as amended by First Amendment made effective as of February, 2009.
4. Listing of Vacant Residential Land Exclusive Right and Authority to Sell Contract, effective as of February 2, 2009, by and between Hawks Haven Golf Course Community Developers, LLC, as Seller, and Spina Realty Company, as Broker.

EXHIBIT "D"

PERMITS AND APPROVALS

South Florida Water Management District (SFWMD) Environmental Resource Permit (ERP)

- Basin 1 (Application No. 040702-8)- Expires January 27, 2010
- Basins 2, 3 and 4 (Application No. 051122-18)- Expires December 12, 2011

Lee County Development Orders (DO)

- Hampton Lakes at River Hall Phase 1 (DOS2004-00305)- Expires March 14, 2011
- Hampton Lakes at River Hall Phase 2 (DOS2005-00156)- Expires April 20, 2012
- River Hall Country Club Phase 1 (DOS2004-00330)- Expires June 9, 2011
- River Hall Country Club Phase 2 (DOS2005-00182)- Expires May 15, 2012
- River Hall Lake (DOS2006-00042)- Expires August 8, 2012

Lee County Department of Health (DOH)- Permits to Construct Potable Water Extensions

- Hampton Lakes at River Hall Phase 1 (Permit No. 0125120-129DSGP)- Expires July 22, 2010
- River Hall Country Club Phase 2 (Permit No. 0125120-166DSGP)- Expires August 22, 2011

Florida Department of Environmental Protection (FDEP)- Permit to Construct Wastewater Collection System

- Hampton Lakes at River Hall Phase 1 (Permit No. 47040-093-DWC)- Expires July 25, 2010
- River Hall Country Club Phase 2 (Permit No. 47040-127-DWC)- Expires August 22, 2011

FDEP National Pollutant Discharge Elimination System (NPDES) Notice of Intent (NOI)

- Hampton Lakes at River Hall Phase 1 (Permit No. FLR10Y479)- Expires December 15, 2009
- Hampton Lakes at River Hall Phase 2 (Permit No. FLR10BP51)- Expires October 13, 2010
- River Hall Country Club Phase 1 (Permit No. FLR10Y481)- Expires December 15, 2009
- River Hall Country Club Phase 2 (Permit No. FLR10EV84)- Expires April 27, 2012

- River Hall Lake (Permit No. FLR10CJ62)- Expires February 15, 2011

EXHIBIT "E"

SALES CONTRACTS

1. Hawks Haven Purchase and Sale Agreement (Coach Homes – Bundled Golf Community), dated February 7, 2005, by and between Hawk's Haven Golf Course Community Developers, LLC, as Seller and Taylor Woodrow Homes – Southwest Florida Division, L.L.C., as Buyer, as amended through Fourth Amendment. *Requires consent for assignment to non-affiliated entity, which consent shall not be unreasonably withheld or delayed.*
2. Hawks Haven Purchase and Sale Agreement (85' Lots – Bundled Golf Community), dated June 17, 2005, by and between Hawks' Haven Golf Course Community Developers, LLC, as Seller and Taylor Woodrow Homes – Southwest Florida Division, L.L.C., as Buyer, as amended through Fourth Amendment. *Requires consent for assignment to non-affiliated entity, which consent shall not be unreasonably withheld or delayed.*
3. River Hall Purchase and Sale Agreement (55' Lots – Bundled Golf Community Phase 2) dated September 18, 2006 between Hawk's Haven Golf Course Community Developers, LLC, as Seller and Lyons Land Corp., LLC as Buyer, a amended through Third Amendment and including First Amendment and Assignment of River Hall Purchase and Sale Agreement, dated February 20, 2007, by and among Hawk's Haven Golf Course Community Developers, LLC, as Seller, Lyons Land Corp., LLC as Buyer, and NMPJ, LLC, as Lot Warehouse. *Requires consent for assignment to non-affiliated entity, which consent shall not be unreasonably withheld or delayed.*
4. Letter Agreement dated December 17, 2008 by Hawk's Haven Developers, LLC, a Delaware limited liability company and Hawk's Haven Golf Course Community Developers, LLC, a Delaware limited liability company in favor of River Hall II, LLC.
5. Closing Agreement Regarding Impact Fees dated December, 2005, by and between Hawk's Haven Golf Course Community Developers, LLC, and David Weekley Homes, L.P.
6. Closing Agreement dated March 30, 2006, by and between Hawk's Haven Golf Course Community Developers, LLC, and David Weekley Homes, L.P.
7. Closing Agreement dated March, 2006, by and between Hawk's Haven Golf Course Community Developers, LLC, and Hearthstone Multi-Asset Entity B, L.P.

EXHIBIT "F"

CDD DEVELOPER OBLIGATIONS

1. Funding and Completion Agreement, dated October 26, 2005, between Hawk's Haven Developers, LLC, Hawk's Haven Golf Course Community Developers, LLC, and the River Hall Community Development District.
2. Continuing Disclosure Agreement, dated as of October 1, 2005, by the River Hall Community Development District, Hawk's Haven Developers, LLC, Hawk's Haven Golf Course Community Developers, LLC, and Prager, Sealy & Co., LLC.
3. True Up Agreement, made and entered into as of October 31, 2005, by and between River Hall Community Development District, Hawk's Haven Developers, LLC, and Hawk's Haven Golf Course Community Developers, LLC.
4. Collection Agreement, dated October 31, 2005, by and among River Hall Community Development District, Rizzetta & Company, Incorporated, Hawk's Haven Developers, LLC, Hawk's Haven Golf Course Community Developers, LLC, and Levitt and Sons at Hawk's Haven, LLC.

EXHIBIT "G"

BOARD MEMBERS, OFFICERS
AND SUPERVISORS

Homeowners' Associations

Board Members: Graydon E. Miars
Patricia McDonald
Carla Durand

Officers: President – Graydon E. Miars
Vice President – Patricia McDonald
Secretary and Treasurer – Carla Durland

CDD

Board of Supervisors/Officers:

Graydon E. Miars – Chairman
Robert Nelson – Vice Chairman
Carla Durand – Assistant Secretary
Patricia McDonald – Assistant Secretary

Additional Officers:

Peter Williams – Secretary
William Rizzetta – Treasurer
Molly A. Syvret – Assistant Secretary

EXHIBIT "H-1"

HOMEOWNERS' ASSOCIATION/COMMUNITY DISCLOSURE

IF THE DISCLOSURE SUMMARY REQUIRED BY SECTION 720.401, FLORIDA STATUTES, HAS NOT BEEN PROVIDED TO THE PROSPECTIVE PURCHASER BEFORE EXECUTING THIS CONTRACT FOR SALE, THIS CONTRACT IS VOIDABLE BY PURCHASER BY DELIVERING TO SELLERS OR SELLERS' AGENT OR REPRESENTATIVE WRITTEN NOTICE OF THE PURCHASER'S INTENTION TO CANCEL WITHIN 3 DAYS AFTER RECEIPT OF THE DISCLOSURE SUMMARY OR PRIOR TO CLOSING, WHICHEVER OCCURS FIRST. ANY PURPORTED WAIVER OF THIS VOIDABILITY RIGHT HAS NO EFFECT. PURCHASER'S RIGHT TO VOID THIS CONTRACT SHALL TERMINATE AT CLOSING.

PURCHASER SHOULD NOT EXECUTE THIS CONTRACT UNTIL PURCHASER HAS RECEIVED AND READ THIS DISCLOSURE.

**Disclosure Summary For Hampton Lakes at River Hall Homeowners' Association, Inc.
(Name of Community)**

1. AS A PURCHASER OF PROPERTY IN THIS COMMUNITY, YOU WILL BE OBLIGATED TO BE A MEMBER OF A HOMEOWNERS' ASSOCIATION.
2. THERE HAVE BEEN OR WILL BE RECORDED RESTRICTIVE COVENANTS GOVERNING THE USE AND OCCUPANCY OF PROPERTIES IN THIS COMMUNITY.
3. YOU WILL BE OBLIGATED TO PAY ASSESSMENTS TO THE HOMEOWNERS' ASSOCIATION. ASSESSMENTS MAY BE SUBJECT TO PERIODIC CHANGE. IF APPLICABLE, THE CURRENT AMOUNT IS \$_____. YOU WILL ALSO BE OBLIGATED TO PAY ANY SPECIAL ASSESSMENT IMPOSED BY THE ASSOCIATION. SUCH SPECIAL ASSESSMENTS MAY BE SUBJECT TO CHANGE. IF APPLICABLE, THE CURRENT AMOUNT IS \$ N/A PER N/A.
4. YOU MAY BE OBLIGATED TO PAY SPECIAL ASSESSMENTS TO THE RESPECTIVE MUNICIPALITY, COUNTY, OR SPECIAL DISTRICT. ALL ASSESSMENTS ARE SUBJECT TO PERIODIC CHANGE.
5. YOUR FAILURE TO PAY SPECIAL ASSESSMENTS OR ASSESSMENTS LEVIED BY A MANDATORY HOMEOWNERS' ASSOCIATION COULD RESULT IN A LIEN ON YOUR PROPERTY.
6. THERE MAY BE AN OBLIGATION TO PAY RENT OR LAND USE FEES FOR RECREATIONAL OR OTHER COMMONLY USED FACILITIES AS AN OBLIGATION

OF MEMBERSHIP IN THE HOMEOWNERS' ASSOCIATION. IF APPLICABLE, THE CURRENT AMOUNT IS \$ N/A PER N/A.

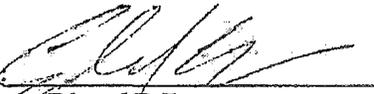
7. THE DEVELOPER MAY HAVE THE RIGHT TO AMEND THE RESTRICTIVE COVENANTS WITHOUT THE APPROVAL OF THE ASSOCIATION MEMBERSHIP OR THE APPROVAL OF THE PARCEL OWNERS.
8. THE STATEMENTS CONTAINED IN THIS DISCLOSURE FORM ARE ONLY SUMMARY IN NATURE, AND, AS A PROSPECTIVE PURCHASER, YOU SHOULD REFER TO THE COVENANTS AND THE ASSOCIATION GOVERNING DOCUMENTS BEFORE PURCHASING PROPERTY.
9. THESE DOCUMENTS ARE EITHER MATTERS OF PUBLIC RECORD AND CAN BE OBTAINED FROM THE RECORD OFFICE IN THE COUNTY WHERE THE PROPERTY IS LOCATED, OR ARE NOT RECORDED AND CAN BE OBTAINED FROM THE DEVELOPER.

PURCHASER:

GREENPOINTE COMMUNITIES, LLC,
a Florida limited liability company

By: **GREEN POINTE HOLDINGS, LLC,**
a Florida limited liability company

Its: **Managing Member**

By: 

Edward E. Burr

Sole Member

Date: _____

EXHIBIT "H-2"

HOMEOWNERS' ASSOCIATION/COMMUNITY DISCLOSURE

IF THE DISCLOSURE SUMMARY REQUIRED BY SECTION 720.401, FLORIDA STATUTES, HAS NOT BEEN PROVIDED TO THE PROSPECTIVE PURCHASER BEFORE EXECUTING THIS CONTRACT FOR SALE, THIS CONTRACT IS VOIDABLE BY PURCHASER BY DELIVERING TO SELLERS OR SELLERS' AGENT OR REPRESENTATIVE WRITTEN NOTICE OF THE PURCHASER'S INTENTION TO CANCEL WITHIN 3 DAYS AFTER RECEIPT OF THE DISCLOSURE SUMMARY OR PRIOR TO CLOSING, WHICHEVER OCCURS FIRST. ANY PURPORTED WAIVER OF THIS VOIDABILITY RIGHT HAS NO EFFECT. PURCHASER'S RIGHT TO VOID THIS CONTRACT SHALL TERMINATE AT CLOSING.

PURCHASER SHOULD NOT EXECUTE THIS CONTRACT UNTIL PURCHASER HAS RECEIVED AND READ THIS DISCLOSURE.

Disclosure Summary For River Hall Country Club Homeowners' Association, Inc.
(Name of Community)

10. AS A PURCHASER OF PROPERTY IN THIS COMMUNITY, YOU WILL BE OBLIGATED TO BE A MEMBER OF A HOMEOWNERS' ASSOCIATION.
11. THERE HAVE BEEN OR WILL BE RECORDED RESTRICTIVE COVENANTS GOVERNING THE USE AND OCCUPANCY OF PROPERTIES IN THIS COMMUNITY.
12. YOU WILL BE OBLIGATED TO PAY ASSESSMENTS TO THE HOMEOWNERS' ASSOCIATION. ASSESSMENTS MAY BE SUBJECT TO PERIODIC CHANGE. IF APPLICABLE, THE CURRENT AMOUNT IS \$ _____. YOU WILL ALSO BE OBLIGATED TO PAY ANY SPECIAL ASSESSMENT IMPOSED BY THE ASSOCIATION. SUCH SPECIAL ASSESSMENTS MAY BE SUBJECT TO CHANGE. IF APPLICABLE, THE CURRENT AMOUNT IS \$ N/A PER N/A.
13. YOU MAY BE OBLIGATED TO PAY SPECIAL ASSESSMENTS TO THE RESPECTIVE MUNICIPALITY, COUNTY, OR SPECIAL DISTRICT. ALL ASSESSMENTS ARE SUBJECT TO PERIODIC CHANGE.
14. YOUR FAILURE TO PAY SPECIAL ASSESSMENTS OR ASSESSMENTS LEVIED BY A MANDATORY HOMEOWNERS' ASSOCIATION COULD RESULT IN A LIEN ON YOUR PROPERTY.
15. THERE MAY BE AN OBLIGATION TO PAY RENT OR LAND USE FEES FOR RECREATIONAL OR OTHER COMMONLY USED FACILITIES AS AN OBLIGATION

OF MEMBERSHIP IN THE HOMEOWNERS' ASSOCIATION, IF APPLICABLE, THE CURRENT AMOUNT IS \$ N/A PER N/A.

16. THE DEVELOPER MAY HAVE THE RIGHT TO AMEND THE RESTRICTIVE COVENANTS WITHOUT THE APPROVAL OF THE ASSOCIATION MEMBERSHIP OR THE APPROVAL OF THE PARCEL OWNERS.
17. THE STATEMENTS CONTAINED IN THIS DISCLOSURE FORM ARE ONLY SUMMARY IN NATURE, AND, AS A PROSPECTIVE PURCHASER, YOU SHOULD REFER TO THE COVENANTS AND THE ASSOCIATION GOVERNING DOCUMENTS BEFORE PURCHASING PROPERTY.
18. THESE DOCUMENTS ARE EITHER MATTERS OF PUBLIC RECORD AND CAN BE OBTAINED FROM THE RECORD OFFICE IN THE COUNTY WHERE THE PROPERTY IS LOCATED, OR ARE NOT RECORDED AND CAN BE OBTAINED FROM THE DEVELOPER.

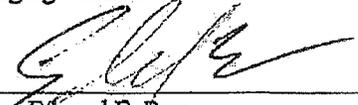
PURCHASER:

GREENPOINTE COMMUNITIES, LLC,
a Florida limited liability company

By: **GREEN POINTE HOLDINGS, LLC,**
a Florida limited liability company

Its: **Managing Member**

By: _____


Edward E. Burr
Sole Member

Date: _____

EXHIBIT "H-3"

HOMEOWNERS' ASSOCIATION/COMMUNITY DISCLOSURE

IF THE DISCLOSURE SUMMARY REQUIRED BY SECTION 720.401, FLORIDA STATUTES, HAS NOT BEEN PROVIDED TO THE PROSPECTIVE PURCHASER BEFORE EXECUTING THIS CONTRACT FOR SALE, THIS CONTRACT IS VOIDABLE BY PURCHASER BY DELIVERING TO SELLERS OR SELLERS' AGENT OR REPRESENTATIVE WRITTEN NOTICE OF THE PURCHASER'S INTENTION TO CANCEL WITHIN 3 DAYS AFTER RECEIPT OF THE DISCLOSURE SUMMARY OR PRIOR TO CLOSING, WHICHEVER OCCURS FIRST. ANY PURPORTED WAIVER OF THIS VOIDABILITY RIGHT HAS NO EFFECT. PURCHASER'S RIGHT TO VOID THIS CONTRACT SHALL TERMINATE AT CLOSING.

PURCHASER SHOULD NOT EXECUTE THIS CONTRACT UNTIL PURCHASER HAS RECEIVED AND READ THIS DISCLOSURE.

Disclosure Summary For Town Hall Amenities Center Association, Inc.
(Name of Community)

19. AS A PURCHASER OF PROPERTY IN THIS COMMUNITY, YOU WILL BE OBLIGATED TO BE A MEMBER OF A HOMEOWNERS' ASSOCIATION.
20. THERE HAVE BEEN OR WILL BE RECORDED RESTRICTIVE COVENANTS GOVERNING THE USE AND OCCUPANCY OF PROPERTIES IN THIS COMMUNITY.
21. YOU WILL BE OBLIGATED TO PAY ASSESSMENTS TO THE HOMEOWNERS' ASSOCIATION. ASSESSMENTS MAY BE SUBJECT TO PERIODIC CHANGE. IF APPLICABLE, THE CURRENT AMOUNT IS \$ _____. YOU WILL ALSO BE OBLIGATED TO PAY ANY SPECIAL ASSESSMENT IMPOSED BY THE ASSOCIATION. SUCH SPECIAL ASSESSMENTS MAY BE SUBJECT TO CHANGE. IF APPLICABLE, THE CURRENT AMOUNT IS \$ N/A PER N/A.
22. YOU MAY BE OBLIGATED TO PAY SPECIAL ASSESSMENTS TO THE RESPECTIVE MUNICIPALITY, COUNTY, OR SPECIAL DISTRICT. ALL ASSESSMENTS ARE SUBJECT TO PERIODIC CHANGE.
23. YOUR FAILURE TO PAY SPECIAL ASSESSMENTS OR ASSESSMENTS LEVIED BY A MANDATORY HOMEOWNERS' ASSOCIATION COULD RESULT IN A LIEN ON YOUR PROPERTY.
24. THERE MAY BE AN OBLIGATION TO PAY RENT OR LAND USE FEES FOR RECREATIONAL OR OTHER COMMONLY USED FACILITIES AS AN OBLIGATION

OF MEMBERSHIP IN THE HOMEOWNERS' ASSOCIATION. IF APPLICABLE, THE CURRENT AMOUNT IS \$ N/A PER N/A.

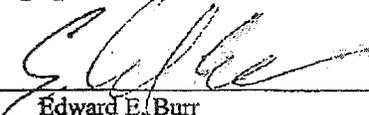
25. THE DEVELOPER MAY HAVE THE RIGHT TO AMEND THE RESTRICTIVE COVENANTS WITHOUT THE APPROVAL OF THE ASSOCIATION MEMBERSHIP OR THE APPROVAL OF THE PARCEL OWNERS.
26. THE STATEMENTS CONTAINED IN THIS DISCLOSURE FORM ARE ONLY SUMMARY IN NATURE, AND, AS A PROSPECTIVE PURCHASER, YOU SHOULD REFER TO THE COVENANTS AND THE ASSOCIATION GOVERNING DOCUMENTS BEFORE PURCHASING PROPERTY.
27. THESE DOCUMENTS ARE EITHER MATTERS OF PUBLIC RECORD AND CAN BE OBTAINED FROM THE RECORD OFFICE IN THE COUNTY WHERE THE PROPERTY IS LOCATED, OR ARE NOT RECORDED AND CAN BE OBTAINED FROM THE DEVELOPER.

PURCHASER:

GREENPOINTE COMMUNITIES, LLC,
a Florida limited liability company

By: **GREEN POINTE HOLDINGS, LLC,**
a Florida limited liability company

Its: **Managing Member**

By: 
Edward E. Burr
Sole Member

Date: _____

EXHIBIT "I"

SECURITY OBLIGATIONS

1. Surety Bond No. 104720165 in favor of the County, in the amount of \$110,561.00, scheduled to expire May 25, 2010 re: Hampton Lakes at River Hall, Phase 2, securing placement of final lift of asphalt.
2. Surety Bond No. 104720167 in favor of the County, in the amount of \$3,723,880.00, scheduled to expire May 31, 2010 re: River Hall Country Club Phase 2 and future Parcels H, J, S & Z pursuant to Development Order #DO 2005-00182.
3. Surety Bond No. 104528933 in favor of the County, in the amount of \$1,356,344.00, scheduled to expire June 7, 2011 re: Hampton Lakes at River Hall, Phase 1.
4. Surety Bond No. 104557699 in favor of the County, in the amount of \$264,000.00, scheduled to expire August 19, 2010 re: River Hall Country Club, securing placement of second lift of asphalt pursuant to Developer Order #DO 2005-00011.

**FIRST AMENDMENT TO
CONTRACT FOR SALE**

This First Amendment to Contract for Sale (the "Amendment") is entered into by and between **HAWK'S HAVEN DEVELOPERS, LLC**, a Delaware limited liability company ("**HHD**"), **HAWK'S HAVEN GOLF COURSE COMMUNITY DEVELOPERS, LLC**, a Delaware limited liability company ("**HHGCCD**"), each as debtor-in possession (HHD and HHGCCD being collectively referred to as "**Sellers**"), and **GREENPOINTE COMMUNITIES, LLC**, a Florida limited liability company ("**Buyer**"), effective as of February 19, 2010, with reference to the following facts:

A. Sellers and Buyer have entered into that certain to that certain Contract for Sale, with an Effective Date of February 9, 2010, with respect to certain real property located in unincorporated Lee County, Florida, as more particularly described therein (collectively, the "**Agreement**").

B. Sellers and Buyer desire to amend the Agreement in the manner set forth hereafter.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is understood and agreed as follows:

1. Recitals. The foregoing recitals are true and correct and are incorporated herein by this reference.

2. Extension of Survey Deadlines. Sellers and Buyer hereby amend Section 5(c) of the Agreement, by extending the date for delivery of the Surveys to Buyer to the date which is thirty (30) days prior to the expiration of the Inspection Period.

3. Sales Contracts. Exhibit "E" to the Agreement is hereby amended by adding the following thereto as Item 8: Letter, undated, by Sellers addressed to Lennar Homes.

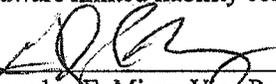
4. Effect of Amendment; Capitalized Terms. Except as expressly modified and changed by this Amendment, the Agreement shall remain in full force and effect, unmodified and unamended hereby, and the parties ratify and reaffirm the same. All capitalized terms not otherwise defined in this Amendment shall have the meanings ascribed to them in the Agreement.

5. Counterparts; Facsimile Signatures; PDF. This Amendment may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument. Facsimile and Portable Document Form (PDF) signatures shall be effective for purposes of this Amendment.

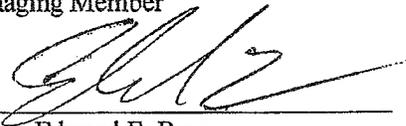
[Signatures on the following page]

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first set forth above.

SELLERS:

	<p>HAWK'S HAVEN DEVELOPERS, LLC, a Delaware limited liability company</p> <p>By:  Graydon E. Miars, Vice President</p>
	<p>HAWK'S HAVEN GOLF COURSE COMMUNITY DEVELOPERS, LLC, a Delaware limited liability company</p> <p>By:  Graydon E. Miars, Vice President</p>

BUYER:

	<p>GREENPOINTE COMMUNITIES, LLC, a Florida limited liability company</p> <p>By: GREEN POINTE HOLDINGS, LLC, a Florida limited liability company</p> <p>Its: Managing Member</p> <p>By:  Edward E. Burr Sole Member</p>
--	---

[Signatures continued on following page.]

***AS TO MATTERS ASSOCIATED WITH THE CLUB,
JOINED IN BY:***

**SOUTHERN HILLS PLANTATION
GOLF CLUB, LLC,**
a Delaware limited liability company

By: 
Name: _____
Title: _____

***AS TO MATTERS ASSOCIATED WITH THE
IRRIGATION AGREEMENTS, JOINED IN BY:***

SOUTHERN HILLS IRRIGATION SERVICES, LLC,
a Delaware limited liability company, as to the matters
associated specifically with the Irrigation Agreements

By: LandMar Group, LLC,
a Delaware limited liability company

Its: Sole Member

By: LandMar Management, LLC,
a Delaware limited liability company

Its: Manager

By: 
Name: _____
Title: _____

[Signatures continued on following page.]

***AS TO MATTERS ASSOCIATED WITH THE CLUB
VILLAS LAND, JOINED IN BY:***

CLUB VILLAS DEVELOPERS, LLC,
a Delaware limited liability company

By: LandMar Group, LLC,
a Delaware limited liability company

Its: Sole Member

By: LandMar Management, LLC,
a Delaware limited liability company

Its: Manager

By: AKZ
Name: _____
Title: _____

***AS TO MATTERS ASSOCIATED WITH THE
BROOKSVILLE EAST LAND, JOINED IN BY:***

BROOKSVILLE EAST DEVELOPERS, LLC,
a Delaware limited liability company

By: LandMar Group, LLC,
a Delaware limited liability company

Its: Sole Member

By: LandMar Management, LLC,
a Delaware limited liability company

Its: Manager

By: AKZ
Name: _____
Title: _____

"Recipe for a New Hometown"

RIVER  HALL

Darin McMurray, Division President
Lennar Homes
10481 Ben C Pratt/6 Mile Cypress Parkway
Fort Myers, FL 33966

Darin:

Please allow this letter to serve as a formal response to your additional information requests for the River Hall project.

- Lennar request – Access to River Hall Information Center for staffing and product display
 - LandMar agrees to allow Lennar staff to occupy the information center and set up product specific displays at no charge for a period ending 12.31.10. The logistics and final agreement will be worked out when more details are finalized.
- Lennar Request – The use of Lennar specific signage throughout the project
 - LandMar agrees to work with Lennar staff and provided signage meets design review criteria will allow signage throughout the River Hall project including builder specific signage and flags along S.R. 80. The logistics and final placement of signage will need to be approved by the design review team of River Hall.
- Lennar Request – Address 2% marketing fee
 - LandMar will agree to reduce the marketing fee to .5% until 12.31.10 and then will revisit the fee with Lennar for 2011 and beyond. LandMar will require a memorandum of agreement to be recorded, to the extent one does not exist, evidencing the ongoing marketing fee payment obligation.
- Lennar Request – Access to past prospect leads and website advertising access
 - LandMar will agree to grant Lennar access to all historical prospect leads. LandMar will agree to allow Lennar to have a link on the River Hall website provided River Hall has the same on the Lennar website. Lennar will be allowed to advertise product on our website provided all material is agreed upon by our marketing department.
- Lennar Request – Update on the Bankruptcy of Crescent Resources
 - The Plan of Re-organization will be on file with the court in the near future. The best source of information is the website www.crescent-resourcesinfo.com for any latest updates.

Sincerely,



Grady Miars
Vice-President

Cc: Bill Brisben
Donna Feldman
Jay Page

2401 River Hall Parkway
Fort Myers, Florida 33920

 LandMar
riverhall.cc

Phone: (239) 274.0497
Fax: (239) 274.0517

**SECOND AMENDMENT TO
CONTRACT FOR SALE**

This Second Amendment to Contract for Sale (the "Amendment") is entered into by and between **HAWK'S HAVEN DEVELOPERS, LLC**, a Delaware limited liability company ("HHD"), **HAWK'S HAVEN GOLF COURSE COMMUNITY DEVELOPERS, LLC**, a Delaware limited liability company ("HHGCCD"), each as debtor-in possession (HHD and HHGCCD being collectively referred to as "Sellers"), and **GREENPOINTE COMMUNITIES, LLC**, a Florida limited liability company ("Buyer"), effective as of May 24, 2010, each solely for the purposes stated herein as to such entity, with reference to the following facts:

A. Sellers and Buyer have entered into that certain to that certain Contract for Sale, with an Effective Date of February 9, 2010, as amended by that certain First Amendment of Contract for Sale with an Effective Date of February 19, 2010, with respect to certain real property located in unincorporated Lee County, Florida, as more particularly described therein (collectively, the "Agreement").

B. Sellers and Buyer desire to amend the Agreement in the manner set forth hereafter.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is understood and agreed as follows:

1. Recitals. The foregoing recitals are true and correct and are incorporated herein by this reference.

2. Bankruptcy Court Approval of Transaction. Section 3(a)(iv) is amended and restated in its entirety as follows:

"If Sellers are not authorized to consummate the Transaction or Modified Transaction through either the Non-Objection Approval Process or the Objection Approval Process on or before June 15, 2010 ("Bankruptcy Court Approval Period"), then either Sellers or Buyer may elect, by delivery of written notice to the other party, to terminate the Agreement, in which event the Deposit shall be returned to Buyer, and the parties shall have no further obligations to each other under this Agreement, except as stated expressly to survive termination."

3. Effect of Amendment; Capitalized Terms. Except as expressly modified and changed by this Amendment, the Agreement shall remain in full force and effect, unmodified and unamended hereby, and the parties ratify and reaffirm the same. All capitalized terms not otherwise defined in this Amendment shall have the meanings ascribed to them in the Agreement.

4. Counterparts; Facsimile Signatures; PDF. This Amendment may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument. Facsimile and Portable Document Form (PDF) signatures shall be effective for purposes of this Amendment.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first set forth above.

SELLERS:

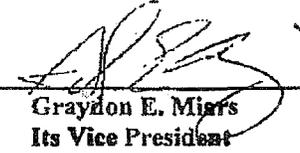
HAWK'S HAVEN DEVELOPERS, LLC, a Delaware limited liability company

By: _____


Graydon E. Miars
Its Vice President

HAWK'S HAVEN GOLF COURSE COMMUNITY DEVELOPERS, LLC, a Delaware limited liability company

By: _____


Graydon E. Miars
Its Vice President

[Signatures continued on following pages.]

BUYER:

**GREENPOINTE COMMUNITIES, LLC, a
Florida limited liability company**

By: _____



**Edward E. Burr
Its President**

**THIRD AMENDMENT TO
CONTRACT FOR SALE**

This Third Amendment to Contract for Sale (the "Amendment") is entered into by and between **HAWK'S HAVEN DEVELOPERS, LLC**, a Delaware limited liability company ("HHD"), **HAWK'S HAVEN GOLF COURSE COMMUNITY DEVELOPERS, LLC**, a Delaware limited liability company ("HHGCCD"), each as debtor-in possession (HHD and HHGCCD being collectively referred to as "Sellers"), and **GREENPOINTE COMMUNITIES, LLC**, a Florida limited liability company ("Buyer"), effective as of May 24, 2010, each solely for the purposes stated herein as to such entity, with reference to the following facts:

A. Sellers and Buyer have entered into that certain to that certain Contract for Sale, with an Effective Date of February 9, 2010, as amended by that certain First Amendment to Contract for Sale effective as of February 19, 2010, and that certain Second Amendment to Contract for Sale effective as of May 24, 2010, with respect to certain real property located in unincorporated Lee County, Florida, as more particularly described therein (collectively, the "Agreement").

B. Sellers and Buyer desire to amend the Agreement in the manner set forth hereafter.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is understood and agreed as follows:

1. Recitals. The foregoing recitals are true and correct and are incorporated herein by this reference.

2. Extension of Inspection Period. Notwithstanding to the contrary Section 4(a) of the Agreement, the parties hereby agree that the Inspection Period shall expire at 5:00p.m. Eastern Time on August 31, 2010.

3. Extension of Survey Deadline. The parties hereby amend Section 5(c) of the Agreement by establishing the deadline for delivery of the Surveys to Buyer as July 30, 2010.

4. Closing Document Preparation. Section 4(f) of the Agreement is hereby amended and restated in its entirety as follows:

(f) Closing Document Preparation. Promptly after the expiration of the Inspection Period, Seller shall cause its counsel to prepare drafts of the various documents contemplated by this Agreement that are required to be delivered at Closing ("Closing Documents"), and the parties shall, in good faith, negotiate the form and substance of the Closing Documents.

5. Extension of Closing Date. Section 6(d) of the Agreement is hereby amended and restated in its entirety as follows:

(d) Closing. If this Agreement is not terminated previously, the closing of the transaction contemplated by this Agreement

**("Closing") shall occur on September 30, 2010 ("Closing Date").
The Closing shall be held at the offices of Escrow Agent and/or by
"mail away" procedure.**

6. **Effect of Amendment; Capitalized Terms.** Except as expressly modified and changed by this Amendment, the Agreement shall remain in full force and effect, unmodified and unamended hereby, and the parties ratify and reaffirm the same. All capitalized terms not otherwise defined in this Amendment shall have the meanings ascribed to them in the Agreement.

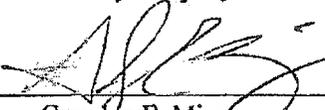
7. **Counterparts; Facsimile Signatures; PDF.** This Amendment may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument. Facsimile and Portable Document Form ("**PDF**") signatures shall be effective for purposes of this Amendment.

[Signatures on following page.]

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first set forth above.

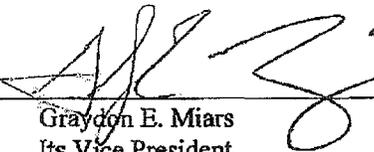
SELLERS:

HAWK'S HAVEN DEVELOPERS, LLC, a Delaware limited liability company

By: 

Graydon E. Miars
Its Vice President

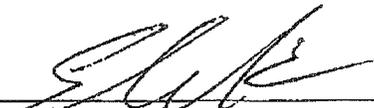
HAWK'S HAVEN GOLF COURSE COMMUNITY DEVELOPERS, LLC, a Delaware limited liability company

By: 

Graydon E. Miars
Its Vice President

BUYER:

GREENPOINTE COMMUNITIES, LLC, a Florida limited liability company

By: 

Edward E. Burr
Its President

**FOURTH AMENDMENT TO
CONTRACT FOR SALE**

This Fourth Amendment to Contract for Sale (the "Amendment") is entered into by and between HAWK'S HAVEN DEVELOPERS, LLC, a Delaware limited liability company ("HHD"), HAWK'S HAVEN GOLF COURSE COMMUNITY DEVELOPERS, LLC, a Delaware limited liability company ("HHGCCD"), each as debtor-in possession (HHD and HHGCCD being collectively referred to as "Sellers"), and GREENPOINTE COMMUNITIES, LLC, a Florida limited liability company ("Buyer"), effective as of August 31, 2010, each solely for the purposes stated herein as to such entity, with reference to the following facts:

A. Sellers and Buyer have entered into that certain to that certain Contract for Sale, with an Effective Date of February 9, 2010, as amended by that certain First Amendment of Contract for Sale with an Effective Date of February 19, 2010, as amended by that certain Second Amendment of Contract for Sale with an Effective Date of May 24, 2010, as amended by that certain Third Amendment of Contract for Sale with an Effective Date of July 20, 2010, with respect to certain real property located in unincorporated Lee County, Florida, as more particularly described therein (collectively, the "Agreement").

B. Sellers and Buyer desire to amend the Agreement in the manner set forth hereafter.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is understood and agreed as follows:

1. Recitals. The foregoing recitals are true and correct and are incorporated herein by this reference.
2. Extension of Inspection Period. Notwithstanding anything to the contrary contained in Section 4(a) of the Agreement, the parties hereby agree that the Inspection Period shall expire at 5:00 pm Eastern Time on September 15, 2010.
3. Effect of Amendment; Capitalized Terms. Except as expressly modified and changed by this Amendment, the Agreement shall remain in full force and effect, unmodified and unamended hereby, and the parties ratify and reaffirm the same. All capitalized terms not otherwise defined in this Amendment shall have the meanings ascribed to them in the Agreement.
4. Counterparts; Facsimile Signatures; PDF. This Amendment may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument. Facsimile and Portable Document Form (PDF) signatures shall be effective for purposes of this Amendment.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first set forth above.

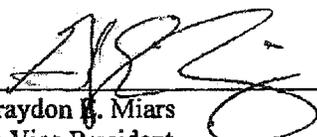
SELLERS:

HAWK'S HAVEN DEVELOPERS, LLC, a Delaware limited liability company

By: 

Graydon E. Miars
Its Vice President

HAWK'S HAVEN GOLF COURSE COMMUNITY DEVELOPERS, LLC, a Delaware limited liability company

By: 

Graydon E. Miars
Its Vice President

BUYER:

GREENPOINTE COMMUNITIES, LLC, a Florida limited liability company

By: _____
Edward E. Burr
Its President

BUYER:

**GREENPOINTE COMMUNITIES, LLC, a
Florida limited liability company**

By: _____

**Roger F. Postlethwaite
Its Vice President**

**FIFTH AMENDMENT TO
CONTRACT FOR SALE**

This Fifth Amendment to Contract for Sale (the "Amendment") is entered into by and between **HAWK'S HAVEN DEVELOPERS, LLC**, a Delaware limited liability company ("HHD"), **HAWK'S HAVEN GOLF COURSE COMMUNITY DEVELOPERS, LLC**, a Delaware limited liability company ("HHGCCD"), each as debtor-in possession (HHD and HHGCCD being collectively referred to as "Sellers"), and **GREENPOINTE COMMUNITIES, LLC**, a Florida limited liability company ("Buyer"), effective as of September 15, 2010, each solely for the purposes stated herein as to such entity, with reference to the following facts:

A. Sellers and Buyer have entered into that certain to that certain Contract for Sale, with an Effective Date of February 9, 2010, as amended through that certain Fourth Amendment to Contract for Sale effective as of August 31, 2010, with respect to certain real property located in unincorporated Lee County, Florida, as more particularly described therein (collectively, the "Agreement").

B. Sellers and Buyer desire to amend the Agreement in the manner set forth hereafter.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is understood and agreed as follows:

1. Recitals. The foregoing recitals are true and correct and are incorporated herein by this reference.
2. Extension of Inspection Period. Notwithstanding to the contrary Section 4(a) of the Agreement, the parties hereby agree that the Inspection Period shall expire at 5:00p.m. Eastern Time on September 16, 2010.
3. Effect of Amendment; Capitalized Terms. Except as expressly modified and changed by this Amendment, the Agreement shall remain in full force and effect, unmodified and unamended hereby, and the parties ratify and reaffirm the same. All capitalized terms not otherwise defined in this Amendment shall have the meanings ascribed to them in the Agreement.
4. Counterparts; Facsimile Signatures; PDF. This Amendment may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument. Facsimile and Portable Document Form ("PDF") signatures shall be effective for purposes of this Amendment.

[Signatures on following page.]

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first set forth above.

SELLERS:

HAWK'S HAVEN DEVELOPERS, LLC, a Delaware limited liability company

By: 

Graydon E. Miars
Its Vice President

HAWK'S HAVEN GOLF COURSE COMMUNITY DEVELOPERS, LLC, a Delaware limited liability company

By: 

Graydon E. Miars
Its Vice President

BUYER:

GREENPOINTE COMMUNITIES, LLC, a Florida limited liability company

By: _____
Edward E. Burr
Its President

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first set forth above.

SELLERS:

HAWK'S HAVEN DEVELOPERS, LLC, a Delaware limited liability company

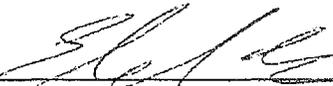
By: _____
Graydon E. Miars
Its Vice President

HAWK'S HAVEN GOLF COURSE COMMUNITY DEVELOPERS, LLC, a Delaware limited liability company

By: _____
Graydon E. Miars
Its Vice President

BUYER:

GREENPOINTE COMMUNITIES, LLC, a Florida limited liability company

By:  _____
Edward E. Burr
Its President

**SIXTH AMENDMENT TO
CONTRACT FOR SALE**

This Sixth Amendment to Contract for Sale (the "**Amendment**") is entered into by and between **HAWK'S HAVEN DEVELOPERS, LLC**, a Delaware limited liability company ("**HHD**"), **HAWK'S HAVEN GOLF COURSE COMMUNITY DEVELOPERS, LLC**, a Delaware limited liability company ("**HHGCCD**"), each as debtor-in possession (HHD and HHGCCD being collectively referred to as "**Sellers**"), and **GREENPOINTE COMMUNITIES, LLC**, a Florida limited liability company ("**Buyer**"), effective as of September 16, 2010, each solely for the purposes stated herein as to such entity, with reference to the following facts:

A. Sellers and Buyer have entered into that certain to that certain Contract for Sale, with an Effective Date of February 9, 2010, as amended through that certain Fifth Amendment to Contract for Sale effective as of September 15, 2010, with respect to certain real property located in unincorporated Lee County, Florida, as more particularly described therein (collectively, the "**Agreement**").

B. Sellers and Buyer desire to amend the Agreement in the manner set forth hereafter.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is understood and agreed as follows:

1. Recitals. The foregoing recitals are true and correct and are incorporated herein by this reference.

2. Extension of Inspection Period. Notwithstanding to the contrary Section 4(a) of the Agreement, the parties hereby agree that the Inspection Period shall expire at 5:00p.m. Eastern Time on September 17, 2010.

3. Effect of Amendment; Capitalized Terms. Except as expressly modified and changed by this Amendment, the Agreement shall remain in full force and effect, unmodified and unamended hereby, and the parties ratify and reaffirm the same. All capitalized terms not otherwise defined in this Amendment shall have the meanings ascribed to them in the Agreement.

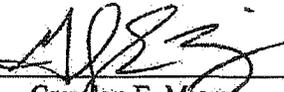
4. Counterparts; Facsimile Signatures; PDF. This Amendment may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument. Facsimile and Portable Document Form ("**PDF**") signatures shall be effective for purposes of this Amendment.

[Signatures on following page.]

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first set forth above.

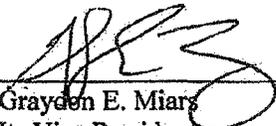
SELLERS:

HAWK'S HAVEN DEVELOPERS, LLC, a Delaware limited liability company

By: 

Graydon E. Miars
Its Vice President

HAWK'S HAVEN GOLF COURSE COMMUNITY DEVELOPERS, LLC, a Delaware limited liability company

By: 

Graydon E. Miars
Its Vice President

BUYER:

GREENPOINTE COMMUNITIES, LLC, a Florida limited liability company

By: _____
Edward E. Burr
Its President

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first set forth above.

SELLERS:

HAWK'S HAVEN DEVELOPERS, LLC, a Delaware limited liability company

By: _____
Graydon E. Miars
Its Vice President

HAWK'S HAVEN GOLF COURSE COMMUNITY DEVELOPERS, LLC, a Delaware limited liability company

By: _____
Graydon E. Miars
Its Vice President

BUYER:

GREENPOINTE COMMUNITIES, LLC, a Florida limited liability company

By: 
Print Name: WALTER P. RUSSELL
Its Vice President

Exhibit D

**SEVENTH AMENDMENT TO
CONTRACT FOR SALE**

This Seventh Amendment to Contract for Sale (the "Amendment") is entered into by and between **HAWK'S HAVEN DEVELOPERS, LLC**, a Delaware limited liability company ("HHD"), **HAWK'S HAVEN GOLF COURSE COMMUNITY DEVELOPERS, LLC**, a Delaware limited liability company ("HHGCCD"), each as debtor-in possession (HHD and HHGCCD being collectively referred to as "Sellers"), and **GREENPOINTE COMMUNITIES, LLC**, a Florida limited liability company ("Buyer"), effective as of September 17, 2010, each solely for the purposes stated herein as to such entity, with reference to the following facts:

A. Sellers and Buyer have entered into that certain to that certain Contract for Sale, with an Effective Date of February 9, 2010, as amended through that certain Sixth Amendment to Contract for Sale effective as of September 16, 2010, with respect to certain real property located in unincorporated Lee County, Florida, as more particularly described therein (collectively, the "Agreement").

B. Sellers and Buyer desire to amend the Agreement in the manner set forth hereafter.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is understood and agreed as follows:

1. Recitals. The foregoing recitals are true and correct and are incorporated herein by this reference.

2. Purchase Price. The Purchase Price is hereby reduced by Seven Hundred Fifty Thousand and No/100 Dollars (\$750,000.00) ("**Reduction Amount**") from One Million Three Hundred Thousand and No/100 Dollars (\$1,300,000.00) to Five Hundred Fifty Thousand and No/100 Dollars (\$550,000.00), subject to adjustments and proration in accordance with the Agreement, as amended hereby. In consideration for such reduction, Buyer agrees that if the CDD Board of Supervisors approves a forbearance agreement ("**Forbearance Effective Date**") among Buyer, the CDD and the Trustee for the CDD bondholders which restructures the payments of principal and interest assessed against the Property in connection with the CDD Bonds, then Buyer shall notify Sellers in writing within five (5) business days after the Forbearance Effective Date, and, within fifteen (15) days after the Forbearance Effective Date, Buyer shall pay to Sellers, or Sellers successors in interest as determined by the Bankruptcy Court, the Reduction Amount; provided, however, that Buyer shall not be obligated to pay the Reduction Amount if the restructuring is achieved through Buyer: (i) paying the CDD bondholders to reduce the original principal amount of the CDD Bonds; (ii) purchasing any CDD Bonds; or (iii) increasing the principal amount of the bonds, unless the principal increase is associated with a decrease in the interest rate or other corresponding financial benefit in which case Buyer shall be obligated to reimburse Sellers as provided above. Buyer's obligation to pay the Reduction Amount to Sellers shall not be contingent upon Buyer achieving any restructuring, deferral or otherwise as to the CDD operation and maintenance assessments. The foregoing obligations of Buyer shall survive Closing. For purposes herein, the term "Buyer" shall also mean and refer to any affiliates of Buyer, in which Buyer has controlling interest or majority ownership interest.

3. Approval of Inspection Period. Buyer hereby approves the feasibility of the transaction contemplated by the Agreement, as amended hereby, and waives its right to terminate the Agreement in accordance with Section 4(a) thereof.

4. Conditions Precedent to the Obligations of Seller and Buyer. The parties hereby acknowledge and agree that the Mutual Closing Condition set forth in Section 6(a)(ii), Bankruptcy Court Approval, has been satisfied, and the terms of Section 3(a) are no longer applicable. Based on the parties' desire to modify the Purchase Price, the parties hereby amend Section 6(a) to add the following additional Mutual Closing Condition as Section 6(a)(iv):

(iv) Modified Transaction Terms. Sellers shall have the authority to consummate the Closing of the Modified Transaction pursuant to the terms and conditions of the *Order Pursuant to Sections 105(a), 363(b), 363(f), and 365 of the Bankruptcy Code and Bankruptcy Rules 6004 and 6006 Authorizing the Debtors to Sell the River Hall Project Pursuant to that Certain Purchase and Sale Agreement Free and Clear of Certain Liens, Claims, Encumbrances, and Interests*, entered in the Bankruptcy Action ("363 Order"), as further modified to authorize the reduction of the Purchase Price from \$1,300,000.00 to \$550,000.00, in accordance with this Agreement, as amended. Sellers shall use their best efforts to expedite the hearing necessary to obtain such approval such as to receive approval from the Bankruptcy Court on or before October 15, 2010, and shall promptly notify Buyer of any scheduled hearing date in this regard. Sellers shall notify Buyer within one (1) business day after being authorized to consummate the Closing in accordance with this Agreement, as amended, or the Bankruptcy Court's denial of such request. If such request is denied, then the Agreement shall be terminated automatically upon issuance of such order, and the Deposit, less the Closing Extension Fee (defined in Section 6(d) of the Agreement), shall be returned to Buyer, and the Closing Extension Fee shall be paid to Sellers.

5. Extension of Closing Date. Section 6(d) of the Agreement is hereby amended and restated in its entirety as follows:

(d) Closing. If this Agreement is not terminated previously, the closing of the transaction contemplated by this Agreement ("Closing") shall occur on September 30, 2010, or five (5) business days after the Mutual Closing Condition set forth in Section 6(a)(iv) is satisfied, whichever is later ("Closing Date"), subject to the terms of this subparagraph. The Closing shall be held at the offices of Escrow Agent and/or by "mail away" procedure. If the Mutual Closing Condition set forth in Section 6(a)(iv) is not satisfied as of September 30, 2010, then Buyer may elect, at Buyer's sole election, to: (i) terminate this Agreement and receive a full refund of the Deposit or (ii) extend the Closing Date until the Mutual Closing Condition set forth in Section 6(a)(iv) has been satisfied, but in no event beyond October 25, 2010. If Buyer elects to extend the Closing Date until the Mutual Closing Condition in Section 6(a)(iv)

has been satisfied, then for every day the Closing Date is extended beyond September 30, 2010, One Thousand and No/100 Dollars (\$1,000.00) of the Deposit shall become nonrefundable to Buyer (the "Closing Extension Fee"), except in the event of Seller's default. If the Closing is extended beyond September 30, 2010, and Closing occurs on or before October 12, 2010, then the full amount of the Deposit (including the portion referred to as the Closing Extension Fee) shall be applied to the Purchase Price. If the Closing is extended beyond September 30, 2010, and Closing occurs after October 12, 2010, then the portion of the Deposit constituting the Closing Extension Fee for every day beyond October 12, 2010, shall not apply to the Purchase Price. In the event the Closing Date is extended to enable the Mutual Closing Condition set forth in Section 6(a)(iv) to be satisfied, and either (x) Seller thereafter fails to satisfy the Buyer's Closing Conditions, then nothing herein shall limit Buyer's right to terminate and receive the full Deposit, or (y) Seller thereafter defaults under this Agreement then nothing herein shall limit Buyer's rights and remedies available to Buyer pursuant to Section 15(b) of this Agreement, including recovery of the full Deposit without reduction for the Closing Extension Fee plus the sum of \$5,000.00.

Buyer acknowledges and agrees that the Closing Date will not be otherwise extended except as set forth herein.

6. Effect of Amendment; Capitalized Terms. Except as expressly modified and changed by this Amendment, the Agreement shall remain in full force and effect, unmodified and unamended hereby, and the parties ratify and reaffirm the same. All capitalized terms not otherwise defined in this Amendment shall have the meanings ascribed to them in the Agreement.

7. Counterparts; Facsimile Signatures; PDF. This Amendment may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument. Facsimile and Portable Document Form ("PDF") signatures shall be effective for purposes of this Amendment.

[Signatures on following page.]

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first set forth above.

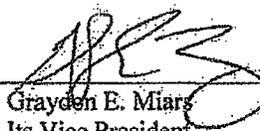
SELLERS:

HAWK'S HAVEN DEVELOPERS, LLC, a Delaware limited liability company

By: 

Graydon E. Miars
Its Vice President

HAWK'S HAVEN GOLF COURSE COMMUNITY DEVELOPERS, LLC, a Delaware limited liability company

By: 

Graydon E. Miars
Its Vice President

BUYER:

GREENPOINTE COMMUNITIES, LLC, a Florida limited liability company

By: _____
Edward E. Burr
Its President

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first set forth above.

SELLERS:

HAWK'S HAVEN DEVELOPERS, LLC, a Delaware limited liability company

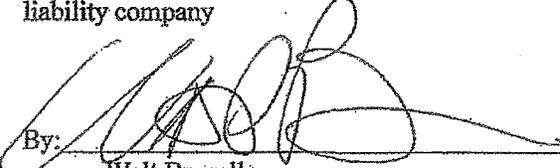
By: _____
Graydon E. Miars
Its Vice President

HAWK'S HAVEN GOLF COURSE COMMUNITY DEVELOPERS, LLC, a Delaware limited liability company

By: _____
Graydon E. Miars
Its Vice President

BUYER:

GREENPOINTE COMMUNITIES, LLC, a Florida limited liability company

By:  _____
Walt Bussells
Its Vice President

RIVER HALL
COMMUNITY DEVELOPMENT DISTRICT

4

RIVER HALL COMMUNITY DEVELOPMENT DISTRICT

BOARD OF SUPERVISORS FISCAL YEAR 2019/2020 MEETING SCHEDULE

LOCATION

River Hall Town Hall Center, located at 3089 River Hall Parkway, Alva, Florida 33920

DATE	POTENTIAL DISCUSSION/FOCUS	TIME
October 3, 2019	Regular Meeting	3:30 PM
November 7, 2019	Regular Meeting	3:30 PM
December 5, 2019	Regular Meeting	3:30 PM
January 9, 2020	Regular Meeting	3:30 PM
February 6, 2020	Regular Meeting	3:30 PM
March 5, 2020	Regular Meeting	3:30 PM
April 2, 2020 CANCELED	Regular Meeting	3:30 PM
May 7, 2020	Virtual Public Meeting	3:30 PM
June 4, 2020	Virtual Public Meeting	3:30 PM
June 29, 2020	Special Virtual Public Meeting	3:30 PM
July 9, 2020	Regular Meeting	3:30 PM
August 6, 2020	Regular Meeting	3:30 PM
September 3, 2020	Public Hearing & Regular Meeting	3:30 PM