

**MEDITERRA SOUTH
COMMUNITY
DEVELOPMENT DISTRICT**

**SPECIAL MEETING
AGENDA**

April 22, 2013

Mediterra South Community Development District

6131 Lyons Road, Suite 100 • Coconut Creek, Florida 33073

Phone: (954) 426-2105 • Fax: (954) 426-2147 • Toll-free: (877) 276-0889

April 16, 2013

ATTENDEES:

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

Board of Supervisors
Mediterra South Community Development District

Dear Board Members:

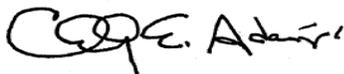
A Special Meeting of the Mediterra South Community Development District's Board of Supervisors will be held on **Monday, April 22, 2013 at 9:30 a.m.**, at the **Club at Mediterra, 15755 Corso Mediterra Circle, Naples, Florida 34110**. The agenda is as follows:

1. Call to Order/Roll Call
2. Consideration of Certain Document Related to Refinancing of Series 2003 Bonds
3. Audience Comments/Supervisors' Requests
4. Adjournment

NEXT MEETING DATE: May 15, 2013 at 11:30 A.M.

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

Sincerely,



Chesley E. Adams, Jr.
District Manager

FOR BOARD MEMBERS AND STAFF TO ATTEND BY TELEPHONE:

CALL IN NUMBER: 1-888-354-0094

CONFERENCE ID: 8593810

RESOLUTION 2013-3

A RESOLUTION OF MEDITERRA SOUTH COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE ISSUANCE OF AND AWARDED THE SALE OF ITS MEDITERRA SOUTH COMMUNITY DEVELOPMENT DISTRICT CAPITAL IMPROVEMENT REVENUE REFUNDING BONDS, SERIES 2013 FOR THE PRINCIPAL PURPOSE OF REFUNDING ALL OF THE OUTSTANDING MEDITERRA SOUTH COMMUNITY DEVELOPMENT DISTRICT CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2003A; DELEGATING TO THE CHAIR OR VICE CHAIR OF THE BOARD OF SUPERVISORS OF THE DISTRICT, SUBJECT TO COMPLIANCE WITH THE APPLICABLE PROVISIONS HEREOF, THE AUTHORITY TO AWARD THE SALE OF SUCH BONDS TO FMSBONDS, INC. AND MBS CAPITAL MARKETS, LLC BY EXECUTING AND DELIVERING TO SUCH UNDERWRITERS A BOND PURCHASE CONTRACT, THE FORM OF WHICH IS HEREBY APPROVED; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF THE FIFTH SUPPLEMENTAL TRUST INDENTURE; MAKING CERTAIN FINDINGS; APPROVING FORM OF SAID BONDS; APPROVING THE FORM OF THE PRELIMINARY OFFICIAL STATEMENT AND AUTHORIZING THE USE OF THE OFFICIAL STATEMENT AND THE PRELIMINARY OFFICIAL STATEMENT; APPROVING THE FORM OF THE CONTINUING DISCLOSURE AGREEMENT AND ESCROW DEPOSIT AGREEMENT; AUTHORIZING CERTAIN OFFICIALS OF MEDITERRA SOUTH COMMUNITY DEVELOPMENT DISTRICT AND OTHERS TO TAKE ALL ACTIONS REQUIRED IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF SAID BONDS; CALLING THE BONDS TO BE REFUNDED FOR EARLY REDEMPTION; PROVIDING CERTAIN OTHER DETAILS WITH RESPECT TO SAID BONDS; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, Mediterra South Community Development District (the "District") is authorized by Florida Statutes, Chapter 190 (the "Act"), particularly Section 190.016(7), to issue its bonds for the purpose of refunding outstanding obligations of the District, including the District's outstanding Capital Improvement Revenue Bonds, Series 2003A (the "Refunded Bonds"); and

WHEREAS, the District issued its Capital Improvement Revenue Bonds, Series 2003A and its Capital Improvement Revenue Bonds, Series 2003B (the "2003B Bonds") and (collectively the "2003 Bonds") to provide the District funds to acquire and construct governmental owned water and sewer facilities, stormwater improvement facilities, wetlands and preserve area, all for the special benefit of certain residents of the District; and

WHEREAS, the District is authorized by the Act to make payments of principal, interest, and premium, if any, with respect to its bonds by levying and collecting special assessments on

property located within the District and specially benefited by the assessable improvements financed with certain proceeds of the 2003 Bonds; and

WHEREAS, the owners of all of the 2003B Bonds have consented to the issuance of the 2013 Bonds (as hereinafter defined); and

WHEREAS, the District now desires to authorize the issuance of and award the sale of its Capital Improvement Revenue Refunding Bonds, Series 2013 (the "2013 Bonds") in a principal amount not exceeding the principal amount of the Outstanding Refunded Bonds on the date of delivery of the 2013 Bonds, to approve the Supplemental Indenture (hereinafter defined) and to provide for various other matters relating to the issuance of the 2013 Bonds; and

WHEREAS, the Board of Supervisors of the District (the "Board") has received from FMSbonds, Inc. and MBS Capital Markets, LLC (collectively the "Underwriter") a proposal in the form of a Bond Purchase Contract (the "Contract") for the purchase of the 2013 Bonds and the Board has determined that acceptance of such proposal and the sale of the 2013 Bonds to the Underwriter is in the best interest of the District for the reasons hereafter indicated;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF MEDITERRA SOUTH COMMUNITY DEVELOPMENT DISTRICT, as follows:

SECTION 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 (hereinafter defined).

SECTION 2. Authorization. The issuance of the 2013 Bonds is hereby authorized. The 2013 Bonds shall be issued under and secured by that Master Trust Indenture dated as of December 1, 1999 (the "Master Indenture") as supplemented by that Fifth Supplemental Trust Indenture dated as of May 1, 2013 or such other date as shall be acceptable to the District and the Underwriter (the "Supplemental Indenture") by and between the District and U.S. Bank National Association, as successor in interest to First Union National Bank, as trustee, (the "Trustee") (the Master Indenture and the Supplemental Indenture referred to collectively as the "Indenture"). The proceeds of the 2013 Bonds shall be used for the purposes set forth in the Supplemental Indenture and the Official Statement (hereinafter defined).

SECTION 3. Approval of Supplemental Indenture. The Supplemental Indenture is hereby approved in substantially the form set forth as part of **Exhibit A** hereto and the Chair or the Vice Chair of the Board are hereby authorized and directed to execute and deliver such Supplemental Indenture on behalf of and in the name of the District and the Secretary or any Assistant Secretary of the Board is hereby authorized to attest such execution, with such additions and deletions therein as may be made and approved by the Chair or the Vice Chair executing the same, such execution to be conclusive evidence of such approval. The Trustee is hereby approved to serve as Trustee, Bond Registrar and Paying Agent under such Supplemental Indenture.

SECTION 4. Negotiated Sale. The Board hereby determines that a negotiated sale of the 2013 Bonds to the Underwriter is in the best interest of the District because of prevailing market conditions, because delays caused by soliciting competitive bids could adversely affect

the District's ability to issue and deliver the 2013 Bonds at presently favorable interest rates, and because the nature of the security for the 2013 Bonds and the sources of payment of debt service on the 2013 Bonds require the participation of an underwriter in structuring the bond issue.

SECTION 5. Contract Approved. The Board hereby approves the Contract submitted by the Underwriter in substantially the form attached as **Exhibit B** hereto. The Chair or Vice Chair of the Board is hereby authorized to execute the Contract and to deliver the Contract to the Underwriter with such changes, amendments, modifications, omissions and additions as may be approved by the executing Chair or Vice Chair; provided, however, that (i) the average annual debt service on the 2013 Bonds is at least ten (10%) percent less than the average annual debt service on the Refunded Bonds inclusive of all costs of issuance, (ii) the final maturity of the 2013 Bonds shall be no later than May 1, 2034, (iii) the 2013 Bonds shall be subject to optional redemption no later than May 1, 2023 at a redemption price of 100% of the principal amount to be redeemed plus accrued interest to the redemption date, (iv) the purchase price of the 2013 Bonds shall be no less than 98% of the principal amount thereof exclusive of any original issue discount, and (v) the principal amount of the 2013 Bonds shall not exceed the outstanding principal amount of the Refunded Bonds on the date of issuance of the 2013 Bonds. Execution by the Chair or Vice Chair of the Contract shall be deemed to be conclusive evidence of approval of such changes.

SECTION 6. Preliminary Official Statement and Official Statement. The District hereby approves the Preliminary Official Statement in substantially the form attached hereto (the "Preliminary Official Statement") submitted to this meeting and attached hereto as **Exhibit C** and authorizes its distribution and use by the Underwriter in connection with the offering for the sale of the 2013 Bonds. If between the date hereof and the mailing of the Preliminary Official Statement it is necessary to make insertions, modifications and changes to the Preliminary Official Statement, the Chair or Vice Chair is hereby authorized to approve such insertions, changes and modifications, and, the Chair or Vice Chair is hereby authorized to deem the Preliminary Official Statement "final" within the meaning of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") under the Securities Exchange Act of 1934, in the form as mailed and in furtherance thereof to execute a certificate evidencing same. The preparation of a final Official Statement is hereby approved and the Chair or Vice Chair is hereby authorized to execute such final Official Statement to be dated the date of the award of the 2013 Bonds and, upon such award, to deliver the same to the Underwriter for use by it in connection with the sale and distribution of the 2013 Bonds. The Official Statement shall be substantially in the form of the final Preliminary Official Statement, with such changes as shall be approved by the Chair or Vice Chair as necessary to conform to the details of the 2013 Bonds and such other insertions, modifications and changes as may be approved by the Chair or Vice Chair. The execution and delivery of the Official Statement by the Chair shall constitute evidence of the approval thereof. The District hereby authorizes the use of the Preliminary Official Statement and the Official Statement and the information contained therein in connection with the offering and sale of the 2013 Bonds.

SECTION 7. Form of 2013 Bonds. The 2013 Bonds shall be in substantially the form as set forth in the exhibit to the Supplemental Indenture, with such additions, deletions and other changes thereto as the officials of the Board executing the 2013 Bonds shall approve, such approval to be conclusively evidenced by the execution of the 2013 Bonds (by manual or

facsimile signature) by such officials. The Board hereby authorizes and approves the use of a facsimile of the District seal on the 2013 Bonds.

SECTION 8. Continuing Disclosure Certificate. The form and content of the Continuing Disclosure Agreement (the "Disclosure Document") relating to the 2013 Bonds attached hereto as **Exhibit D** is hereby approved. The Chair or Vice Chair and the Secretary or any Assistant Secretary are hereby authorized to execute on behalf of the District the Disclosure Document in substantially the form attached hereto, with such additions, deletions, and other changes as may be necessitated by applicable law, this Resolution and the Contract as such officers may approve (such approval to be conclusively evidenced by their execution of the Disclosure Document).

SECTION 9. Early Redemption of Refunded Bonds. Subject to delivery of the 2013 Bonds, Outstanding Refunded Bonds are hereby irrevocably called for redemption on the date set forth in the Escrow Deposit Agreement, as defined below, at the redemption price of 101% of the principal amount of such Refunded Bonds together with accrued interest to the redemption date.

SECTION 10. Approval of Escrow Deposit Agreement. The Escrow Deposit Agreement, pursuant to which certain proceeds of the 2013 Bonds and other legally available moneys of the District will be deposited to provide for the refunding and defeasance of the Refunded Bonds, is hereby approved in substantially the form set forth as part of **Exhibit E** hereto and the Chair or the Vice Chair of the Board are hereby authorized and directed to execute and deliver such Agreement on behalf of and in the name of the District and the Secretary or any Assistant Secretary of the Board is hereby authorized to attest such execution, with such additions and deletions therein as may be made and approved by the Chair or the Vice Chair executing the same, such execution to be conclusive evidence of such approval. The Trustee is hereby approved to serve as Escrow Agent under the Escrow Deposit Agreement.

SECTION 11. Compliance with Section 190.016(7), Florida Statutes. The District hereby finds that the refunding as described herein and in the Supplemental Indenture and the Preliminary Official Statement comply with Section 190.016(7), Florida Statutes in that the issuance of the 2013 Bonds is advantageous to the District.

SECTION 12. Open Meetings. It is hereby found and determined that all official acts of this Board concerning and relating to the issuance, sale, and delivery of the 2013 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 requirement of Florida Statutes, Section 286.011.

SECTION 13. Other Actions. The Chair, the Vice Chair, the Secretary and any Assistant Secretary of the District, and any authorized designee thereof (collectively, the "District Officers"), Akerman Senterfitt, as Bond Counsel and Hopping, Green & Sams, P.A., Counsel to the District, and any other consultant or experts retained by the District, are hereby authorized and directed to take all actions necessary or desirable in connection with the issuance and delivery of the 2013 Bonds and the consummation of all transactions in connection therewith. The District Officers are hereby authorized and directed to execute all necessary or

desirable certificates, documents, papers, and agreements necessary to the undertaking and fulfillment of all transactions referred to in or contemplated by the Supplemental Indenture, the Preliminary Official Statement, the Official Statement, this Resolution, the Disclosure Document and the Contract.

SECTION 14. Approval of Prior Actions. All actions taken to date by the members of the Board and the officers, agents, and employees of the District in furtherance of the issuance of the Bonds are hereby approved, confirmed and ratified.

SECTION 15. Inconsistent Resolutions and Motions. All prior resolutions of the Board inconsistent with the provisions of this Resolution are hereby modified, supplemented and amended to conform with the provisions herein contained and, except as so modified, supplemented and amended hereby, shall remain in full force and effect.

SECTION 16. Severability. If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or ineffective for any reason, the remainder of this Resolution shall continue in full force and effect, it being expressly hereby found and declared that the remainder of this Resolution would have been adopted despite the invalidity or ineffectiveness of such section, paragraph, clause or provision.

SECTION 17. Effective Date. This Resolution shall become effective immediately upon its adoption.

ADOPTED this 22nd day of April, 2013.

**MEDITERRA SOUTH COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Chair

[SEAL]
Attest:

By: _____
Secretary

Exhibit A

FIFTH SUPPLEMENTAL TRUST INDENTURE

**MEDITERRA SOUTH
COMMUNITY DEVELOPMENT DISTRICT**

TO

**U.S. BANK NATIONAL ASSOCIATION,
(as successor in trust to First Union National Bank), AS TRUSTEE**

Dated as of _____ 1, 2013

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Exhibit A –Form of Series 2013 Bond

FIFTH SUPPLEMENTAL TRUST INDENTURE

THIS FIFTH SUPPLEMENTAL TRUST INDENTURE (the "Fifth Supplemental Indenture") dated as of _____ 1, 2013, from **MEDITERRA SOUTH COMMUNITY DEVELOPMENT DISTRICT** (the "District") to **U.S. BANK NATIONAL ASSOCIATION**, as successor in trust to First Union National Bank, as Trustee (the "Trustee"), a national banking association, authorized to accept and execute trusts of the character herein set out herein.

WHEREAS, the District entered into a Master Trust Indenture, dated as of December 1, 1999 (the "Master Indenture") with the Trustee to secure the issuance of its Mediterra South Community Development District Capital Improvement Revenue Bonds (the "Bonds"), issuable in one or more series from time to time; and

WHEREAS, pursuant to District Resolution 99-16, adopted by the Governing Body on September 22, 1999 (as amended and supplemented by the 2003 Award Resolution hereinafter defined, the "Bond Resolution"), the District authorized the issuance, sale and delivery of not to exceed \$80,000,000 of its Mediterra South Community Development District Capital Improvement Revenue Bonds (the "Bonds"), to be issued in one or more Series of Bonds as authorized under the Master Indenture, which Bonds were validated by final judgment of the Circuit Court in and for Lee County, Florida on November 22, 1999; and

WHEREAS, pursuant to Resolution No 2003-3, adopted on May 12, 2003 (the "2003 Award Resolution"), the District issued, sold and delivered \$5,035,000 of its Capital Improvement Revenue Bonds, Series 2003A (the "2003A Bonds") and \$8,110,000 of its Capital Improvement Revenue Bonds, Series 2003B (the "2003B Bonds;" collectively with the 2003A Bonds, the "2003 Bonds"), as an issue of Bonds under the Master Indenture and a Third Supplemental Trust Indenture, dated as of May 1, 2003 (the "Third Supplemental Indenture"), from the District to the Trustee; and

WHEREAS, the 2003 Bonds were used for the principal purpose of acquiring and constructing governmental owned water and sewer facilities, stormwater improvement facilities, wetlands and preserve areas for the special benefit of the residential units located in Phase III of Mediterra South (the "2003 Project"); and

WHEREAS, all of the owners of the 2003B Bonds have consented to the issuance of the Series 2013 Bonds (as hereinafter defined); and

WHEREAS, the Governing Body of the District has duly adopted resolutions in accordance with the applicable provisions of Chapter 190 and 170, Florida Statutes imposing and levying the 2003 Assessments against the property within the District specially benefitted by the 2003 Project (collectively, the "Assessment Resolution"); and

WHEREAS, the District applied the proceeds of the 2003A Bonds to: (i) finance a portion of the Cost of the 2003 Project; (ii) pay certain costs associated with the issuance of the 2003A Bonds; (iii) making a deposit into the 2003A Reserve Account; and (iv) paying a portion of the interest to become due on the 2003A Bonds not beyond the expected construction period of the 2003 Project; and

WHEREAS, the District has determined that under existing market conditions, it would be in the best financial interest of the District to currently defease all of the Outstanding 2003A Bonds (the "Refunded Bonds") in order to achieve debt service savings and reduce the unpaid 2003 Assessments;

WHEREAS, pursuant to Resolution No 2013-____, adopted by the Governing Body of the District on April 24, 2013 (the "Award Resolution"), the District has authorized the issuance, sale and delivery of its Mediterra South Community Development District Capital Improvement Revenue Refunding Bonds, Series 2013 (the "Series 2013 Bonds"), which are issued hereunder in the aggregate principal amount of \$_____ as an issue of Bonds under the Master Indenture, and has authorized the execution and delivery of this Fifth Supplemental Indenture to secure the issuance of the Series 2013 Bonds and to set forth the terms of the Series 2013 Bonds; and

WHEREAS, the District will apply the proceeds of the Series 2013 Bonds together with other legally available moneys of the District to: (i) currently refund and redeem all of the Outstanding principal amount of the Refunded Bonds; (ii) pay certain costs associated with the issuance of the Series 2013 Bonds; and (iii) make a deposit into the Series 2013 Reserve Account for the benefit of all of the Series 2013 Bonds; and

WHEREAS, the Series 2013 Bonds will be payable from and secured by those 2013 Assessment Revenues collected by the District with respect to property specially benefited by the Series 2003 Project which have not been paid, which, together with the Series 2013 Pledged Funds and Accounts (hereinafter defined) will comprise the Series 2013 Trust Estate (hereinafter defined), which shall constitute a "Series Trust Estate" as defined in the Master Indenture; and

WHEREAS, the execution and delivery of the Series 2013 Bonds and of this Fifth Supplemental Indenture have been duly authorized by the Governing Body of the District and all things necessary to make the Series 2013 Bonds, when executed by the District and authenticated by the Trustee, valid and binding legal obligations of the District and to make this Fifth Supplemental Indenture a valid and binding agreement and, together with the Master Indenture, a valid and binding lien on the Series 2013 Trust Estate have been done;

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

That the District, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the mutual covenants herein contained, the purchase and acceptance of the Series 2013 Bonds by the purchaser or purchasers thereof, and other good and valuable consideration, receipt of which is hereby acknowledged, and in order to further secure the payment of the principal and Redemption Price of, and interest on, all Series 2013 Bonds Outstanding (as defined in the Master Indenture) from time to time, according to their tenor and effect, and such other payments required to be made under the Master Indenture or hereunder, and such other payments due under any Letter of Credit Agreement or Liquidity Agreement (as defined in the Master Indenture), and to further secure the observance and performance by the District of all the covenants, expressed or implied in the Master Indenture, in this Fifth Supplemental Indenture and in the Series 2013 Bonds: (a) has executed and delivered this Fifth

Supplemental Indenture and (b) does hereby, in confirmation of the Master Indenture, grant, bargain, sell, convey, transfer, assign and pledge unto the Trustee, and unto its successors in the trusts under the Master Indenture, and to them and their successors and assigns forever, all right, title and interest of the District, in, to and under, subject to the terms and conditions of the Master Indenture and the provisions of the Master Indenture pertaining to the application thereof for or to the purposes and on the terms set forth in the Master Indenture, the revenues derived by the District from the 2003 Assessments (the "Series 2013 Pledged Revenues") and the Funds and Accounts (except for the Series 2013 Rebate Account) established hereby (the "Series 2013 Pledged Funds and Accounts") which shall comprise a part of the Trust Estate securing the Series 2013 Bonds (the "Series 2013 Trust Estate");

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

IN TRUST NEVERTHELESS, except as in each such case may otherwise be provided in the Master Indenture, upon the terms and trusts in the Indenture set forth for the equal and proportionate benefit, security and protection of all and singular the present and future Owners of the Series 2013 Bonds issued or to be issued under and secured by this Fifth Supplemental Indenture, without preference, priority or distinction as to lien or otherwise, of any one Series 2013 Bond over any other Series 2013 Bond by reason of priority in their issue, sale or execution;

PROVIDED FURTHER HOWEVER, that if the District, its successors or assigns, shall well and truly pay, or cause to be paid, or make due provision for the payment of the principal and Redemption Price of the Series 2013 Bonds or any Series 2013 Bond of a particular maturity issued, secured and Outstanding under this Fifth Supplemental Indenture and the interest due or to become due thereon, at the times and in the manner mentioned in the Series 2013 Bonds and this Fifth Supplemental Indenture, according to the true intent and meaning thereof, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Master Indenture and this Fifth Supplemental Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions of the Master Indenture and this Fifth Supplemental Indenture, then upon such final payments, this Fifth Supplemental Indenture and the rights hereby granted shall cease and terminate, with respect to all Series 2013 Bonds or any Series 2013 Bond of a particular maturity, otherwise this Fifth Supplemental Indenture shall remain in full force and effect;

THIS FIFTH SUPPLEMENTAL INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Series 2013 Bonds issued and secured hereunder are to be issued, authenticated and delivered and all of the rights and property pledged to the payment thereof are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as in the Master Indenture (except as amended directly or by implication by this Fifth Supplemental Indenture), including this Fifth Supplemental Indenture, expressed, and the District has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective Owners, from time to time, of the Series 2013 Bonds, as follows:

ARTICLE I DEFINITIONS

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

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

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

"Capital Improvement Program" shall mean the program of assessable capital improvements available to the public established by the District, a portion of which is comprised of the Series 2003 Project.

"Delinquent Assessment Interest" shall mean Series 2013 Assessment Interest deposited by the District with the Trustee on or after May 1 of the year in which such Assessment Interest has, or would have, become delinquent under State law applicable thereto.

"Delinquent Assessment Principal" shall mean Series 2013 Assessment Principal deposited by the District with the Trustee on or after May 1 of the year in which such Series 2013 Assessment Principal has, or would have, become delinquent under State law applicable thereto.

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

"Government Obligations" shall mean direct obligations of, or obligations the timely payment of principal of and interest on which are unconditionally guaranteed by, the United States of America.

"Interest Payment Date" shall mean each May 1 and November 1, commencing November 1, 2013.

"Majority Owners" shall mean the Beneficial Owners of more than fifty percent (50%) of the Outstanding Series 2013 Bonds.

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

"Redemption Date" shall mean, in the event that the Series 2013 Bonds are to be redeemed in whole, or in part, on any date.

"Series 2013 Assessment Proceedings" shall mean the proceedings of the District with respect to the establishment, levy and collection of the 2013 Assessments which include the Preliminary Assessment Resolution, the Assessment Resolution and any supplemental proceedings undertaken by the District with respect to the 2013 Assessments.

"Series 2013 Assessment Interest" shall mean the interest on the 2013 Assessments which is pledged to the Series 2013 Bonds.

"Series 2013 Assessment Revenues" shall mean all revenues derived by the District from the 2013 Assessments, including proceeds from any foreclosure of the lien of 2013 Assessments.

"Series 2013 Bonds" shall mean the District's \$_____ Mediterra South Community Development District Capital Improvement Revenue Refunding Bonds, Series 2013 which are issued hereunder.

"Series 2013 Investment Obligations" shall mean and includes any of the following securities, if and to the extent that such securities are legal investments for funds of the District;

- (i) Government Obligations;
- (ii) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies or such other government - sponsored agencies which may presently exist or be hereafter created; provided that, such bonds, debentures, notes or other evidences of indebtedness are fully guaranteed as to both principal and interest by the United States of America; Bank for Cooperatives; Federal Intermediate Credit Banks; Federal Financing Bank; Federal Home Loan Bank System; Export-Import Bank of the United States; Farmers Home Administration; Small Business Administration; Inter-American Development Bank; International Bank for Reconstruction and Development; Federal Land Banks; the Federal National Mortgage Association; the Government National Mortgage Association; the Tennessee Valley Authority; or the Washington Metropolitan Area Transit Authority;
- (iii) shares of money market mutual funds that invest only in the obligations described in (i) and (ii) above, including money market mutual funds of the Trustee bank meeting such criteria;
- (iv) deposits, Federal funds or bankers' acceptances (with term to maturity of 270 days or less) of any bank which has an unsecured, uninsured and unguaranteed obligation rated in one of the top two rating categories by both Moody's and S&P;
- (v) commercial paper rated in the top two rating category by both Moody's and S&P;

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

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

"Series 2013 Pledged Revenues" shall mean the Series 2013 Assessment Revenues.

"Series 2013 Prepayment Principal" shall mean the excess amount of Series 2013 Assessment Principal received by the District over the Series 2013 Assessment Principal included within an Assessment appearing on any outstanding and unpaid tax bill, whether or not mandated to be prepaid in accordance with the Assessment Proceedings. Anything herein or in the Master Indenture to the contrary notwithstanding, the term Series 2013 Prepayment Principal shall not mean the proceeds of any Refunding Bonds or other borrowing of the District.

"Series 2013 Reserve Account Requirement" shall mean twenty-five percent (25%) of the Maximum Annual Debt Service Requirement for all Outstanding Series 2013 Bonds, determined from time to time as provided herein.

"2003 Assessments" shall mean the 2003 Assessments imposed pursuant to the Series 2003 Assessment Proceedings, as supplemented with respect to the Series 2013 Bonds.

ARTICLE II AUTHORIZATION, ISSUANCE AND PROVISIONS OF SERIES 2013 BONDS

Section 201. Authorization of Series 2013 Bonds; Book-Entry Only Form. The Series 2013 Bonds are hereby authorized to be issued in one Series in the aggregate principal amount of \$_____ for the purposes enumerated in the recitals hereto to be designated "Mediterra South Community Development District Capital Improvement Revenue Refunding Bonds, Series 2013." The Series 2013 Bonds shall be substantially in the form set forth as Exhibit A to this Fifth Supplemental Indenture. Each Series 2013 Bond shall bear the designation "Series 2013R" and shall be numbered consecutively from 1 upwards.

The Series 2013 Bonds shall be initially issued in the form of a separate single certificated fully registered Series 2013 Bond for each maturity thereof. Upon initial issuance, the ownership of each such Series 2013 Bond shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, the initial Bond Depository. Except as provided in this Section 201, all of the Outstanding Series 2013 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 2013 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 2013 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 2013 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 2013 Bonds. The District, the Trustee, the Bond Registrar and the Paying Agent shall treat and consider the person in whose name each Series 2013 Bond is registered in the registration books kept by the Bond Registrar as the absolute owner of such Series 2013 Bond for the purpose of payment of principal, premium and interest with respect to such Series 2013 Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2013 Bond, for the purpose of registering transfers with respect to such Series 2013 Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, premium, if any, and interest on the Series 2013 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 2013 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 2013 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 herein with respect to Record Dates, the words "Cede & Co." in this Fifth Supplemental Indenture shall refer to such new Nominee of DTC; and upon receipt of such a notice the District shall promptly deliver a copy of the same to the Trustee, Bond Registrar and the Paying Agent.

Upon receipt by the Trustee 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 2013 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 2013 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 2013 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 2013 Bonds shall designate, in accordance with the provisions hereof.

Section 202. Terms. The Series 2013 Bonds shall be issued as two (2) Term Bonds, shall bear interest at the fixed interest rates per annum and shall mature in the amounts and on the dates set forth below:

<u>Principal Amount</u>	<u>Maturity Date (May 1)</u>	<u>Interest Rate</u>
\$	2023	%
	2034	

Section 203. Dating and Interest Accrual. Each Series 2013 Bond shall be dated the date of initial issuance and delivery. Each Series 2013 Bond also shall bear its date of authentication. Each Series 2013 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 2013 Bond has been paid, in which event such Series 2013 Bond shall bear interest from its date of authentication; or (ii) is prior to the first Interest Payment Date for the Series 2013 Bonds, in which event, such Series 2013 Bond shall bear interest from its date. Interest on the Series 2013 Bonds shall be due and payable on each May 1 and November 1, commencing November 1, 2013, and shall be computed on the basis of a 360-day year of twelve 30-day months.

Section 204. Denominations. The Series 2013 Bonds shall be issued in Authorized Denominations.

Section 205. Paying Agent. The District appoints the Trustee as Paying Agent for the Series 2013 Bonds.

Section 206. Bond Registrar. The District appoints the Trustee as Bond Registrar for the Series 2013 Bonds.

Section 207. Conditions Precedent to Issuance of Series 2013 Bonds. In addition to complying with the requirements set forth in the Master Indenture in connection with the issuance of the Series 2013 Bonds, all the Series 2013 Bonds shall be executed by the District for delivery to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the District or upon its order, but only upon the further receipt by the Trustee of:

- (a) Certified copies of the Series 2003 Assessment Proceedings;
- (b) Executed copies of the Master Indenture and this Fifth Supplemental Indenture;
- (c) A Bond Counsel opinion substantially 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 Master Indenture and this Fifth Supplemental Indenture, and the Master Indenture and this Fifth Supplemental Indenture have been duly and lawfully authorized, executed and delivered by the District, are in full force and effect and are valid and binding upon the District and enforceable in accordance with their respective terms; (ii) the Master Indenture, as amended

and supplemented by this Fifth Supplemental Indenture, creates the valid pledge which it purports to create of the Series 2013 Trust Estate in the manner and to the extent provided in the Master Indenture and this Fifth Supplemental Indenture; (iii) the Series 2013 Bonds are valid, binding, special obligations of the District, enforceable in accordance with their terms and the terms of the Master Indenture and this Fifth 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 2013 Bonds have been duly and validly authorized and issued in accordance with law and the Master Indenture and this Fifth Supplemental Indenture; and (iv) the interest on the Series 2013 Bonds is excluded from gross income for federal income tax purposes;

(d) The District Counsel opinion required by the Master Indenture;

(e) A certificate of an Authorized Officer to the effect that, upon the authentication and delivery of the Series 2013 Bonds, the District will not be in default in the performance of the terms and provisions of the Master Indenture or this Fifth Supplemental Indenture; and

(f) The executed Escrow Deposit Agreement.

ARTICLE III REDEMPTION OF SERIES 2013 BONDS

Section 301. Bonds Subject to Redemption. The Series 2013 Bonds are subject to redemption prior to maturity as provided in the form thereof set forth as Exhibit A to this Fifth Supplemental Indenture. Interest on Series 2013 Bonds which are called for redemption shall be paid on the Redemption Date from the Series 2013 Interest Account or from the Series 2013 Revenue Account to the extent monies in the corresponding Series 2013 Interest Account are insufficient for such purpose.

Section 302. Conditional Notice of Redemption. Notwithstanding any other provision of the Indenture, notice of optional redemption may be conditioned upon the occurrence or non-occurrence of such event or events as shall be specified in such notice of optional redemption and may also be subject to rescission by the District if expressly set forth in such notice.

ARTICLE IV DEPOSIT OF SERIES 2013 BOND PROCEEDS AND APPLICATION THEREOF; ESTABLISHMENT OF ACCOUNTS AND OPERATION THEREOF

Section 401. Establishment of Accounts. There are hereby established, the following Funds and Accounts.

(a) There is hereby established within the Acquisition and Construction Fund held by the Trustee a Series 2013 Costs of Issuance Account.

(b) There are hereby established, (i) within the Debt Service Fund held by the Trustee, a Series 2013 Sinking Fund Account and a Series 2013 Interest Account; and (ii) in the

Redemption Fund held by the Trustee, a Series 2013 Redemption Account, and, therein a Series 2013 Prepayment Subaccount and an Optional Redemption Subaccount;

(c) There is hereby established within the Reserve Fund held by the Trustee a Series 2013 Reserve Account, which shall be held for the benefit of all of the Series 2013 Bonds, without distinction and without privilege or priority of one Series 2013 Bond over another;

(d) There is hereby established within the Revenue Fund held by the Trustee a Series 2013 Revenue Account; and

(e) There is hereby established within the Rebate Fund held by the Trustee a Series 2013 Rebate Account.

Section 402. Use of Series 2013 Bond Proceeds. The net proceeds from the sale of the Series 2013 Bonds, consisting of \$_____ principal amount of Series 2013 Bonds, less Underwriter's discount of \$_____, less original issue discount in the amount of \$_____, resulting in net proceeds of \$_____, together with \$_____ transferred from the Funds and Accounts for the Refunded Bonds shall, as soon as practicable upon the delivery thereof to the Trustee by the District, be applied as follows:

(a) \$_____ of Series 2013 Bond proceeds, representing the costs of issuance relating to the Series 2013 Bonds shall be deposited to the credit of the Series 2013 Costs of Issuance Account;

(b) \$_____ of Series 2013 Bond proceeds shall be deposited to the credit of the Series 2013 Reserve Account;

(c) \$_____ shall be transferred from the Funds and Accounts for the Refunded Bonds;

(d) of the balance of the proceeds of the Series 2013 Bonds, \$_____, together with \$_____ transferred from the Funds and Accounts for the Refunded Bonds, for a total of \$_____, shall be deposited to the Escrow Fund established pursuant to the Escrow Deposit Agreement to refund and redeem the Refunded Bonds on _____ 1, 2013.

Section 403. Series 2013 Costs of Issuance Account. The amount deposited in the Series 2013 Costs of Issuance Account shall, at the written direction of an Authorized Officer to the Trustee, be used to pay the costs of issuance relating to the Series 2013 Bonds. Ninety (90) days subsequent to the Dated Date of the Series 2013 Bonds, any amounts remaining in the Series 2013 Costs of Issuance Account shall be transferred over and deposited into the Series 2013 Prepayment Subaccount in the Series 2013 Redemption Account in the Redemption Fund and used for the purposes permitted therefor.

Section 404. Series 2013 Reserve Account. Amounts on deposit in the Series 2013 Reserve Account shall be used only for the purpose of making payments into the Series 2013 Interest Account and the Series 2013 Sinking Fund Account to pay Debt Service on the Series 2013 Bonds, when due, without distinction as to Series 2013 Bonds and without privilege or priority of one Series 2013 Bond over another, to the extent the moneys on deposit in such

Accounts therein and available therefor are insufficient and for no other purpose, except as specified in this Fifth Supplemental Indenture. Such Account shall consist only of cash and Series 2013 Investment Obligations.

On the earliest date on which there is on deposit in the Series 2013 Reserve Account, sufficient monies, after taking into account other monies available therefor, to pay and redeem all of the Outstanding Series 2013 Bonds, together with accrued interest and redemption premium, if any, on such Series 2013 Bonds to the earliest date of redemption permitted therein and herein, then the Trustee shall transfer the amount on deposit in the Series 2013 Reserve Account into the Series 2013 Redemption Account to pay and redeem all of the Outstanding Series 2013 Bonds on the earliest date permitted for redemption therein and herein.

Section 405. Amortization Installments; Selection of Bonds for Redemption.

(a) The Amortization Installments established for the Series 2013 Bonds shall be as set forth in Section 506(b) of the Master Indenture reflecting such Debt Service payment schedule.

(b) Upon any redemption of Series 2013 Bonds (other than Series 2013 Bonds redeemed in accordance with scheduled Amortization Installments and other than Series 2013 Bonds redeemed or purchased at the direction of the District accompanied by a cash flow certificate as required by Section 506(b) of the Master Indenture), the District shall cause to be recalculated and delivered to the Trustee revised Amortization Installments recalculated so as to amortize the Outstanding principal amount of the Series 2013 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the Series 2013 Bonds.

Section 406. Tax Covenants and Rebate Accounts. The District shall comply with the Tax Regulatory Covenants included in the closing transcript for the Series 2013 Bonds, as amended and supplemented from time to time in accordance with their terms.

Section 407. Establishment of Series 2013 Revenue Account in Revenue Fund; Application of Revenues and Investment Earnings. (a) The Trustee is hereby authorized and directed to establish within the Revenue Fund a Series 2013 Revenue Account into which the Trustee shall deposit any and all amounts required to be deposited therein by this Section 407 or by any other provision of the Master Indenture or this Fifth Supplemental Indenture, and any other amounts or payments specifically designated by the District pursuant to a written direction or by a Supplemental Indenture for said purpose. The Series 2013 Revenue Account shall be held by the Trustee separate and apart from all other Funds and Accounts held under the Indenture and from all other moneys of the Trustee.

(b) The District shall deposit into Series 2013 Revenue Account the amounts other than Series 2013 Assessment Revenues required to be deposited therein in accordance with the provisions of this Supplemental Indenture. In addition, the District shall deposit Series 2013 Assessment Revenues with the Trustee immediately upon receipt together with a written accounting setting forth the amounts of such Series 2013 Assessment Revenues in the following categories which shall be deposited by the Trustee into the Funds and Accounts established hereunder as follows:

(i) Series 2013 Assessment Interest which shall be deposited into the Series 2013 Interest Account to pay interest due on the Series 2013 Bonds;

(ii) Series 2013 Assessment Principal, which shall be deposited into the Series 2013 Principal Account to pay the Series 2013 Serial Bonds or the Series 2013 Sinking Fund Account to pay the Series 2013 Term Bonds, as applicable;

(iii) Series 2013 Prepayment Principal which shall be deposited into the Series 2013 Prepayment Subaccount in the Series 2013 Redemption Account;

(iv) Series 2013 Delinquent Assessment Principal, which shall first be applied to restore the amount of any withdrawal from the Series 2013 Reserve Account to pay the principal of Series 2013 Bonds, and, the balance, if any, shall be deposited into the Series 2013 Principal Account or the Series 2013 Sinking Fund Account, as applicable;

(v) Series 2013 Delinquent Assessment Interest, which shall first be applied to restore the amount of any withdrawal from the Series 2013 Reserve Account to pay the interest on Series 2013 Bonds, and, the balance, if any, deposited into the Series 2013 Revenue Account; and

(vi) all other Series 2013 Assessment Revenues, which shall be deposited into the Series 2013 Revenue Account.

(c) On the forty-fifth (45th) day preceding each Redemption Date (or if such forty-fifth (45th) day is not a Business Day, on the Business Day next preceding such forty-fifth (45th) day), the Trustee shall determine the amount on deposit in the Series 2013 Prepayment Subaccount, and if the balance therein is greater than zero, shall thereupon give notice and cause the extraordinary mandatory redemption of the Series 2013 Bonds on the next succeeding Redemption Date in the maximum aggregate principal amount for which moneys are then on deposit in the Series 2013 Prepayment Subaccount in accordance with the provisions for extraordinary redemption of the Series 2013 Bonds set forth in the form of Series 2013 Bond attached hereto, Section 301 hereof, and Article III of the Master Indenture.

(d) On May 1 and November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such May 1 or November 1), the Trustee shall transfer amounts on deposit in the Series 2013 Revenue Account to the Funds and Accounts designated below in the following amounts and in the following order of priority:

FIRST, from the Series 2013 Revenue Account to the Series 2013 Interest Account of the Debt Service Fund, an amount equal to the amount of interest payable on all Series 2013 Bonds then Outstanding on such May 1 or November 1 less any other amount already on deposit in the Series 2013 Interest Account not previously credited;

SECOND, to the Series 2013 Sinking Fund Account, the amount, if any, equal to the difference between the Amortization Installments of all Series 2013 Bonds subject to mandatory sinking fund redemption on such May 1, and the amount already on deposit in the Series 2013 Sinking Fund Account not previously credited;

THIRD, to the Series 2013 Reserve Account, the amount, if any, which is necessary to make the amount on deposit therein equal to the Series 2013 Reserve Account Requirement with respect to the Series 2013 Bonds; and

FOURTH, the balance shall be retained in the Series 2013 Revenue Account.

Anything herein to the contrary notwithstanding, it shall not, a fortiori, constitute an Event of Default hereunder if the full amount of the foregoing deposits are not made due to an insufficiency of funds therefor.

(e) On any date required by the Tax Regulatory Covenants, the District shall give the Trustee written direction, and the Trustee shall, transfer from the Series 2013 Revenue Account to the Rebate Account established for the Series 2013 Bonds in the Rebate Fund in accordance with the Master Indenture, the amount due and owing to the United States, which amount shall be paid, to the United States, when due, in accordance with such Tax Regulatory Covenants.

(f) On or after each November 2, the balance on deposit in the Series 2013 Revenue Account on such November 2 shall be deposited into the Series 2013 Prepayment Subaccount in the Series 2013 Redemption Account in the Redemption Fund and applied on the next succeeding Redemption Date to the extraordinary redemption of Series 2013 Bonds; provided however, that on the date of such proposed transfer the amount on deposit in the Series 2013 Reserve Account shall be equal to the Series 2013 Reserve Account Requirement and provided further that the Trustee shall not have actual knowledge (as described in Section 606 of the Master Indenture) of an Event of Default under the Master Indenture or hereunder relating to any of the Series 2013 Bonds, including the payment of Trustee's fees and expenses then due.

(g) Anything herein or in the Master Indenture to the contrary notwithstanding, earnings on investments in all of the Funds and Accounts held as security for the Series 2013 Bonds shall be invested only in Series 2013 Investment Obligations. Earnings on investments in the 2013 Revenue Account, accounts within the Debt Service Fund, the Series 2013 Costs of Issuance Account and the Series 2013 Redemption Account and the Subaccounts therein shall be deposited, as realized, to the credit of the Series 2013 Revenue Account and used for the purpose of such Account.

Earnings on investments in the Series 2013 Reserve Account shall be disposed of as follows:

(i) if there was no deficiency (as defined in Section 509 of the Master Indenture) in the Series 2013 Reserve Account as of the most recent date on which amounts on deposit in the Series 2013 Reserve Account were valued by the Trustee, and if no withdrawals have been made from the Series 2013 Reserve Account since such date which have created a deficiency, then earnings on the Series 2013 Reserve Account shall be deposited into Series 2013 Revenue Account and applied as provided for moneys on deposit therein; and

(ii) if as of the last date on which amounts on deposit in the Series 2013 Reserve Account were valued by the Trustee there was a deficiency (as defined in Section 509 of the Master Indenture), or if after such date withdrawals have been made from the Series

2013 Reserve Account and have created such a deficiency, then earnings on investments in the Series 2013 Reserve Account shall be deposited into the Series 2013 Reserve Account until the amount on deposit therein is equal to the Series 2013 Reserve Account Requirement, and then earnings on the Series 2013 Reserve Account shall be deposited into the Series 2013 Revenue Account and applied as provided for moneys on deposit therein.

ARTICLE V CONCERNING THE TRUSTEE

Section 501. Acceptance by Trustee. The Trustee accepts the trusts declared and provided in this Fifth Supplemental Indenture and agrees to perform such trusts upon the terms and conditions set forth in the Master Indenture.

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

Section 503. Trustee's Duties. Except as otherwise expressly stated in this Fifth Supplemental Indenture, nothing contained herein shall limit the rights, benefits, privileges, protection and entitlements inuring to the Trustee under the Master Indenture, including, particularly, Article VI thereof.

Section 504. Extraordinary Fees and Expenses of Trustee. In the event that the Trustee shall be required under the Indenture or directed by the Owners of the Series 2013 Bonds to take actions to enforce the collection of Delinquent Assessments or to take any other extraordinary actions under the Indenture, the Trustee shall be entitled to withdraw its reasonable fees and expenses, including reasonable attorney fees, from the Series 2013 Trust Estate.

ARTICLE VI ADDITIONAL BONDS

Section 601. Additional Bonds. The District covenants and agrees that so long as there are any Series 2013 Bonds Outstanding, it shall not cause or permit to be caused any lien, charge or claim against the Series 2013 Trust Estate; provided, however, that the District may issue Bonds under the Master Indenture or under another indenture for purposes permitted by the Act which are secured by Assessments levied on the same tax parcels subject to the 2003 Assessments.

ARTICLE VII MISCELLANEOUS

Section 701. Confirmation of Master Indenture. As supplemented by this Fifth Supplemental Indenture, the Master Indenture is in all respects ratified and confirmed, and this Fifth Supplemental Indenture shall be read, taken and construed as a part of the Master Indenture so that all of the rights, remedies, terms, conditions, covenants and agreements of the Master Indenture, except insofar as modified herein, shall apply and remain in full force and effect with respect to this Fifth Supplemental Indenture and to the Series 2013 Bonds issued hereunder.

Section 702. Continuing Disclosure Agreement. Contemporaneously with the execution and delivery hereof, the District has executed and delivered a Continuing Disclosure Agreement in order to comply with the requirements of Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934. The 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 hereunder, but, instead shall be enforceable by mandamus, injunction or any other means of specific performance.

Section 703. Additional Covenant Regarding Assessments. In addition, and not in limitation of, the covenants contained elsewhere in this Fifth Supplemental Indenture and in the Master Indenture, the District covenants to comply with the terms of the Series 2003 Assessment Proceedings, and to levy the 2003 Assessments and any required true up payments, in such manner as will generate funds sufficient to pay the principal of and interest on the Series 2013 Bonds, when due.

The District further covenants and agrees that it will not reduce the Series 2013 Assessment on any tax parcel from that set forth in the Series 2003 Assessment Proceedings on account of any reduction in Debt Service on the Series 2013 Bonds resulting from a redemption of Series 2013 Bonds from amounts deposited into the Series 2013 Prepayment Subaccount in the Series 2013 Redemption Account in the Redemption Fund except to the extent such Series 2013 Assessment was prepaid.

Section 704. Covenants with Regard to Enforcement and Collection of Delinquent Assessments. Anything herein or in the Master Indenture to the contrary notwithstanding, the District covenants and agrees that upon the occurrence and continuance of an Event of Default, it will take such actions to enforce the remedial provisions of the Indenture, the provisions for the collection of Delinquent Assessments, the provisions for the foreclosure of liens of Delinquent Assessments and will take such other appropriate remedial actions as shall be directed by the Trustee acting at the direction of, and on behalf of, the Majority Owners.

Section 705. Amendments. Any amendments to this Second Supplemental Indenture shall be made pursuant to the provisions for amendment contained in the Master Indenture.

Section 706. Collection of 2003 Assessments. Anything in this Second Supplemental Indenture or in the Master Indenture to the contrary notwithstanding but subject to the sentence immediately succeeding, 2003 Assessments levied on platted lots and pledged hereunder to secure the Series 2013 Bonds shall be collected pursuant to the uniform method for the collection of special assessments set forth in the Act (the "Uniform Method"). To the extent the District is not able to collect such 2003 Assessments pursuant to the Uniform Method, the District may elect to collect and enforce such 2003 Assessments pursuant to any then available and commercially reasonable method under the Act, Chapter 170, Florida Statutes, Chapter 197, Florida Statutes, or any successor statutes thereto.

2003 Assessments levied on unplatted lots and pledged hereunder to secure the Series 2013 Bonds shall be collected directly by the District pursuant to the Act and the procedures Chapters 170 and 197, Florida Statutes, and not pursuant to the Uniform Method, in each case unless otherwise directed by the Trustee acting at the direction of the Majority Owners.

Section 707. Requisite Owners for Direction or Consent. Anything in the Master Indenture to the contrary notwithstanding, any direction or consent or similar provision which requires fifty-one percent of the Owners, shall in each case be deemed to refer to, and shall mean, the Majority Owners.

Section 708. Amendments to Master Indenture; Additional Events of Default and Remedies. Section 902 of the Master Indenture is hereby amended with respect to the Series 2013 Bonds by inserting at the conclusion thereof the following paragraph:

"(h) Any portion of the 2003 Assessments shall have become delinquent and as a result of such delinquency the Indenture provides for the Trustee to withdraw funds from the Series 2013 Reserve Account to pay debt service on the Series 2013 Bonds (regardless of whether the Trustee does or does not, per the direction of the Majority Owners actually withdraw such funds from the Series 2013 Reserve Account to pay debt service on the Series 2013 Bonds).

Section 904 of the Master Indenture is hereby amended with respect to the Series 2013 Bonds by inserting at the conclusion thereof the following paragraph:

"Notwithstanding anything to the contrary herein and, unless otherwise directed by the Majority Owners, to the extent allowed pursuant to Federal or State law, the District acknowledges and agrees that (i) upon failure of any property owner to pay 2003 Assessments collected directly by the District when due, that the entire balance of such Assessments on the delinquent property, with interest and penalties thereon, shall be accelerated and shall immediately become due and payable and the District shall promptly, but in any event within ninety (90) days, cause to be commenced the necessary legal proceedings for the foreclosure of liens of such delinquent Assessments, including interest and penalties and (ii) the foreclosure proceedings shall be prosecuted to a sale and conveyance of the property involved in said proceedings as may then be provided by law in suits to foreclose mortgages."

Section 709. Provisions Relating to Bankruptcy or Insolvency of Landowner. The provisions of this Section 709 shall apply both before and after the commencement, whether voluntary or involuntary, or any case, proceeding or other action by or against any owner of any tax parcel subject to the 2003 Assessments (an "Insolvent Taxpayer") under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, assignment for the benefit of creditors, or relief of debtors (a "Proceeding"), except where such tax parcel shall be homestead property. For as long as any Series 2013 Bonds remain outstanding, in any Proceeding involving the District, any Insolvent Taxpayer, the Series 2013 Bonds or the 2003 Assessments, the District shall be obligated to act in accordance with direction from the Trustee with regard to all matters directly or indirectly affecting the Series 2013 Bonds or for as long as any of the Series 2013 Bonds remain Outstanding. The District agrees that it shall not be a defense to a breach of the foregoing covenant that it has acted upon advice of counsel in not complying with this covenant.

The District acknowledges and agrees that, although the Series 2013 Bonds were issued by the District, the Holders of the Series 2013 Bonds are categorically a party with a financial stake in the transaction and, consequently, a party with a vested interest in a Proceeding. In the event of any Proceeding involving any Insolvent Taxpayer:

(a) the District hereby agrees that it shall not make any election, give any consent, commence any action or file any motion, claim, obligation, notice or application or take any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the 2003 Assessments, the Series 2013 Bonds or any rights of the Trustee under the Indenture that is inconsistent with any direction from the Trustee;

(b) the Trustee shall have the right, but is not obligated to, vote in any such Proceeding any and all claims of the District, and, if the Trustee chooses to exercise such right, the District shall be deemed to have appointed the Trustee as its agent and granted to the Trustee an irrevocable power of attorney coupled with an interest, and its proxy, for the purpose of exercising any and all rights and taking any and all actions available to the District in connection with any Proceeding of any Insolvent Taxpayer, including without limitation, the right to file and/or prosecute any claims, to vote to accept or reject a plan, and to make any election under Section 1111(b) of the United States Bankruptcy Code; and

(c) the District shall not challenge the validity or amount of any claim submitted in such Proceeding by the Trustee in good faith or any valuations of the lands owned by any Insolvent Taxpayer submitted by the Trustee in good faith in such Proceeding or take any other action in such Proceeding, which is adverse to the Trustee's enforcement of the District claim with respect to the 2003 Assessments or receipt of adequate protection (as that term is defined in the United States Bankruptcy Code).

Without limiting the generality of the foregoing, the District agrees that the Trustee shall have the right (i) to file a proof of claim with respect to the 2003 Assessments, (ii) to deliver to the District a copy thereof, together with evidence of the filing with the appropriate court or other authority, and (iii) to defend any objection filed to said proof of claim.

Nothing in this Section 709 shall preclude the District from becoming a party to a Proceeding in order to enforce a claim for operation and maintenance assessments, and the District shall be free to pursue such a claim in such manner as it shall deem appropriate in its sole and absolute discretion.

Section 710. Foreclosing of Special Assessment Lien. Notwithstanding Section 814 of the Master Indenture or any other provision of the Indenture to the contrary, the following provisions shall apply with respect to the 2003 Assessments and Series 2013 Bonds.

If any property shall be offered for sale for the nonpayment of any 2003 Assessment and no person or persons shall purchase such property for an amount equal to the full amount due on the 2003 Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the property may then be purchased by the District for an amount equal to the balance due on the 2003 Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), from any legally available funds of the District and the District shall receive the property in its corporate

name or in the name of a special purpose entity title to the property for the benefit of the Owners of the Series 2013 Bonds; provided that the Trustee shall have the right, acting at the direction of the Majority Owners, but shall not be obligated, to direct the District with respect to any action taken pursuant to this Section. The District, either through its own action, or actions caused to be taken through the Trustee, shall have the power and shall lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the Series 2013 Revenue Account. The District, either through its own actions, or actions caused to be taken through the Trustee, agrees that it shall, after being provided with assurances satisfactory to it of payment of its fees, costs and expenses for doing so, (i) promptly cause to be commenced the necessary legal proceedings for the foreclosure of liens of such delinquent 2003 Assessments, including interest and penalties, and shall pursue such proceedings with reasonable diligence at the direction of the Trustee, and (ii) the foreclosure proceedings shall be prosecuted to a sale and conveyance of the property involved in said proceedings as may then be provided by law in suits to foreclose mortgages. The Trustee may, upon direction from the Majority Owners, pay costs associated with any actions taken by District pursuant to this paragraph from any moneys legally available for such purpose held under the Indenture.

Section 711. Counterparts. This Second Supplemental Indenture may be executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.

Section 712. Appendices and Exhibits. Any and all schedules, appendices or exhibits referred to in and attached to this Second Supplemental Indenture are hereby incorporated herein and made a part of this Second Supplemental Indenture for all purposes.

Section 713. Payment Dates. In any case in which an Interest Payment Date or the maturity date of the Series 2013 Bonds or the date fixed for the redemption of any Series 2013 Bonds shall be other than a Business Day, then payment of interest, principal or Redemption Price need not be made on such date but may be made on the next succeeding Business Day, with the same force and effect as if made on the due date, and no interest on such payment shall accrue for the period after such due date if payment is made on such next succeeding Business Day.

Section 714. No Rights Conferred on Others. Nothing herein contained shall confer any right upon any Person other than the parties hereto and the Owners of the Series 2013 Bonds.

Section 715. Brokerage Confirmations. The District acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the District the right to receive individual confirmations of security transactions at no additional cost, as they occur, the District specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the District periodic cash transaction statements that include detail for all investment transactions made by the Trustee hereunder.

IN WITNESS WHEREOF, Mediterra South Community Development District has caused these presents to be signed in its name and on its behalf by its Chairman, and its official seal to be hereunto affixed and attested by its Secretary, thereunto duly authorized, and to evidence its acceptance of the trusts hereby created, the Trustee has caused these presents to be signed in its name and on its behalf by its Vice President.

SEAL

**MEDITERRA SOUTH COMMUNITY
DEVELOPMENT DISTRICT**

Attest:

Secretary

By: _____
Chairman, Board of Supervisors

**U.S. BANK NATIONAL ASSOCIATION, as
successor in trust to First Union National Bank,
as Trustee**

By: _____
Vice President

EXHIBIT A
FORM OF SERIES 2013 BONDS
[TEXT OF SERIES 2013 BOND FACE]

No. Series 2013R-

\$

United States of America

State of Florida

MEDITERRA SOUTH COMMUNITY DEVELOPMENT DISTRICT

CAPITAL IMPROVEMENT REVENUE REFUNDING BOND,

SERIES 2013

Interest Rate	Maturity Date	Dated Date	CUSIP
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Registered Owner: CEDE & CO.

Principal Amount:

MEDITERRA SOUTH COMMUNITY DEVELOPMENT DISTRICT, a community development district duly established and existing pursuant to Chapter 190, Florida Statutes (the "District"), for value received, hereby promises to pay (but only out of the sources hereinafter mentioned) to the registered Owner set forth above, or registered assigns, on the maturity date shown hereon, unless this Bond shall have been called for redemption in whole or in part and payment of the Redemption Price (as defined in the Indenture mentioned hereinafter) shall have been duly made or provided for, the principal amount shown above and to pay (but only out of the sources hereinafter mentioned) interest on the outstanding principal amount hereof from the most recent Interest Payment Date to which interest has been paid or provided for, or, if no interest has been paid, from the Dated Date shown above on May 1 and November 1 of each year (each, an "Interest Payment Date"), commencing on November 1, 2013, until payment of said principal sum has been made or provided for, at the rate per annum set forth above. Notwithstanding the foregoing, if any Interest Payment Date is not a Business Day (as defined in the Indenture hereinafter mentioned), then all amounts due on such Interest Payment Date shall be payable on the first Business Day succeeding such Interest Payment Date, but shall be deemed paid on such Interest Payment Date. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture (as hereinafter defined), be paid to the registered Owner hereof at the close of business on the regular record date for such interest, which shall be the fifteenth (15th) day of the calendar month next preceding such Interest Payment Date, or, if such day is not a Business Day on the Business Day immediately preceding such day; provided, however, that on or after the occurrence and continuance of an Event of Default under clause (a) of Section 902 of the Master Indenture (hereinafter defined), the payment of interest and principal or Redemption Price or Amortization

Installments shall be made by the Paying Agent (hereinafter defined) to such person, who, on a special record date which is fixed by the Trustee, which shall be not more than fifteen (15) and not less than ten (10) days prior to the date of such proposed payment, appears on the registration books of the Bond Registrar as the registered Owner of this Bond. Any payment of principal or Redemption Price shall be made in accordance with the proceeds applicable to bonds registered through The Depository Trust Company except that the final payment of principal hereon shall be made only upon presentation hereof at the designated corporate trust office of U.S. Bank National Association, located in Orlando, Florida, or any alternate or successor paying agent (collectively, the "Paying Agent"). Payment of interest shall be made by check or draft (or by wire transfer to the registered Owner set forth above if such Owner requests such method of payment in writing on or prior to the regular record date for the respective interest payment to such account as shall be specified in such request, but only if the registered Owner set forth above owns not less than \$1,000,000 in aggregate principal amount of the Series 2013 Bonds, as defined below). Interest on this Bond will be computed on the basis of a 360-day year of twelve 30-day months.

This Bond is one of a duly authorized issue of bonds of the District designated "Capital Improvement Revenue Refunding Bonds, Series 2013" in the aggregate principal amount of \$_____ (the "Series 2013 Bonds") (the "Series 2013 Bonds," together with any other Bonds issued under and governed by the terms of, the Master Indenture, are hereinafter collectively referred to as the "Bonds"), under a Master Trust Indenture, dated as of December 1, 1999 (the "Master Indenture"), between the District and U.S. Bank National Association, located in Orlando, Florida, as successor in trust to First Union National Bank, as trustee (the "Trustee"), as amended and supplemented by a Fifth Supplemental Indenture, dated as of _____ 1, 2013 (the "Supplemental Indenture"), between the District and the Trustee (the Master Indenture as amended and supplemented by the Supplemental Indenture is hereinafter referred to as the "Indenture"). The Series 2013 Bonds are issued in an aggregate principal amount of \$_____ to: (i) currently refund and redeem all of the Outstanding principal amount of the Refunded Bonds; (ii) pay certain costs associated with the issuance of the Series 2013 Bonds; and (iii) make a deposit into the Series 2013 Reserve Account for the benefit of all of the Series 2013 Bonds.

NEITHER THIS BOND NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE HEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF FLORIDA. THIS BOND AND THE SERIES OF WHICH IT IS A PART AND THE INTEREST AND PREMIUM, IF ANY, PAYABLE HEREON AND THEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE DISTRICT OR A LIEN UPON ANY PROPERTY OF THE DISTRICT OTHER THAN AS PROVIDED IN THE MASTER INDENTURE OR IN THE SUPPLEMENTAL INDENTURE AUTHORIZING THE ISSUANCE OF THE SERIES 2013 BONDS. NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE DISTRICT OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY DEBT SERVICE OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE MASTER INDENTURE, THE SUPPLEMENTAL INDENTURE, OR THE SERIES 2013 BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID

PURSUANT TO THE MASTER INDENTURE, THE SUPPLEMENTAL INDENTURE, OR THE SERIES 2013 BONDS, SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE SERIES 2013 PLEDGED REVENUES AND THE SERIES 2013 PLEDGED FUNDS PLEDGED TO THE SERIES 2013 BONDS, ALL AS PROVIDED HEREIN, IN THE MASTER INDENTURE AND IN THE SUPPLEMENTAL INDENTURE.

All acts, conditions and things required by the Constitution and laws of the State of Florida and the resolutions of the District to happen, exist and be performed precedent to and in the issuance of this Bond and the execution of the Indenture, have happened, exist and have been performed as so required. This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Indenture until it shall have been authenticated by the execution by the Trustee of the Certificate of Authentication endorsed hereon.

IN WITNESS WHEREOF, Mediterra South Community Development District has caused this Bond to bear the signature of the Chairman of its Board of Supervisors and the official seal of the District to be impressed or imprinted hereon and attested by the signature of the Secretary to the Board of Supervisors.

Attest:

**MEDITERRA SOUTH COMMUNITY
DEVELOPMENT DISTRICT**

Secretary

By: _____
Chairman, Board of Supervisors

[Official Seal]

[FORM OF CERTIFICATE OF AUTHENTICATION FOR SERIES 2013 BONDS]

This Bond is one of the Bonds of the Series designated herein, described in the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

Date of Authentication:

By: _____
Vice President

This Bond is issued under and pursuant to the Constitution and laws of the State of Florida, particularly Chapter 190, Florida Statutes (2013), and other applicable provisions of law and pursuant to the Indenture, executed counterparts of which Indenture are on file at the corporate trust office of the Trustee. Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of Bonds issued under the Indenture, the collection and disposition of revenues and the funds charged with and pledged to the payment of the principal, Maturity Amount and Redemption Price of, and the interest on, the Bonds, the nature and extent of the security thereby created, the covenants of the District with respect to the levy and collection of Assessments (as defined in the Indenture), the terms and conditions under which the Bonds are or may be issued, the rights, duties, obligations and immunities of the District and the Trustee under the Indenture and the rights of the Owners of the Bonds, and, by the acceptance of this Bond, the Owner hereof assents to all of the provisions of the Indenture. The Series 2013 Bonds are equally and ratably secured by the Series 2013 Trust Estate, without preference or priority of one Series 2013 Bond over another. The Supplemental Indenture does not authorize the issuance of any additional Bonds ranking on a parity with the Series 2013 Bonds as to the lien and pledge of the Trust Estate.

The Series 2013 Bonds are issuable only as registered bonds without coupons in current interest form in denominations of \$5,000 or any integral multiple thereof (an "Authorized Denomination"). This Bond is transferable by the registered Owner hereof or his duly authorized attorney at the designated corporate trust office of the Trustee in Orlando, Florida, as Bond Registrar (the "Bond Registrar"), upon surrender of this Bond, accompanied by a duly executed instrument of transfer in form and with guaranty of signature reasonably satisfactory to the Bond Registrar, subject to such reasonable regulations as the District or the Bond Registrar may prescribe, and upon payment of any taxes or other governmental charges incident to such transfer. Upon any such transfer a new 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 Master 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.

The Series 2013 Bonds may, at the option of the District, be called for redemption prior to maturity as a whole or in part at any time on or after May 1, 2023 (less than all Series 2013 Bonds to be selected by lot), at a Redemption Price equal to the principal amount of the Series 2013 Bonds (or portion thereof to be redeemed) plus accrued interest from the most recent Interest Payment Date to the Redemption Date.

The Series 2013 Term Bonds maturing May 1, 2023 are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2013 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments (as defined in the Master 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:

Year	Amortization Installment	Year	Amortization Installment
	\$		\$

*

* Maturity

The Series 2013 Term Bonds maturing May 1, 2034 are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2013 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments (as defined in the Master 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:

Year	Amortization Installment	Year	Amortization Installment
	\$		\$

*

* Maturity

As more particularly set forth in the Master Indenture and Supplemental Indenture, any Series 2013 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 2013 Bonds. Amortization Installments are also subject to recalculation, as provided in the Supplemental Indenture, as the result of the redemption of Series 2013 Bonds other than from scheduled Amortization Installments so as to reamortize the remaining Outstanding principal balance of the Series 2013 Bonds in substantial equal annual installments of principal and interest over the remaining term thereof (subject to rounding for Authorized Denominations) as set forth in the Supplemental Indenture.

The Series 2013 Bonds are subject to extraordinary mandatory redemption prior to maturity, in whole or in part on any date, at the Redemption Price of 100% of the principal amount thereof to be redeemed plus accrued interest to the Redemption Date from amounts deposited into the Series 2013 Prepayment Subaccount of the Series 2013 Redemption Account in accordance with the terms of the Indenture, and, on the date on which the amount on deposit in the Series 2013 Reserve Account, together with other moneys available therefor, are sufficient to pay and redeem all of the Series 2013 Bonds then Outstanding, including accrued interest thereon.

If less than all of the Series 2013 Bonds shall be called for redemption, the particular Series 2013 Bonds or portions of Series 2013 Bonds to be redeemed shall be selected by lot by the Registrar as provided in the Indenture.

Notice of each redemption of Series 2013 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 2013 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 2013 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 2013 Bonds or such portions thereof on such date, interest on such Series 2013 Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2013 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 2013 Bonds or such portions thereof so called for redemption except to receive payments of the Redemption Price thereof so held by the Paying Agent. Further notice of redemption shall be given by the Bond Registrar to certain registered securities depositories and information services as set forth in the Indenture, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

The Owner of this Bond shall have no right to enforce the provisions of the Master 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 2013 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.

Modifications or alterations of the Master Indenture or of any indenture supplemental thereto may be made only to the extent and in the circumstances permitted by the Master Indenture.

Any moneys held by the Trustee or any Paying Agent in trust for the payment and discharge of any Bond which remain unclaimed for six (6) years after the date when such Bond has become due and payable, either at its stated maturity dates or by call for earlier redemption, if such moneys were held by the Trustee or any Paying Agent at such date, or for six (6) years after the date of deposit of such moneys if deposited with the Trustee or Paying Agent after the date when such Bond became due and payable, shall be paid to the District, and thereupon and thereafter no claimant shall have any rights against the Paying Agent to or in respect of such moneys.

If the District deposits or causes to be deposited with the Trustee cash or Federal Securities (as defined in the Indenture) sufficient to pay the principal or redemption price of any Bonds becoming due at maturity or by call for redemption in the manner set forth in the Indenture, together with the interest accrued to the due date, the lien of the Series 2013 Bonds as to the Trust Estate shall be discharged, except for the rights of the Owners thereof with respect to the funds so deposited as provided in the Indenture.

This Bond shall have all the qualities and incidents, including negotiability, of investment securities within the meaning and for all the purposes of the Uniform Commercial Code of the State of Florida.

This Bond is issued with the intent that the laws of the State of Florida shall govern its construction.

[FORM OF ABBREVIATIONS FOR SERIES 2013 BONDS]

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM as tenants in common

TEN ENT as tenants by the entireties

JU TEN as joint tenants with the right of survivorship and not as tenants in common

UNIFORM TRANSFER MIN ACT - _____ Custodian _____ under
Uniform Transfer to Minors Act _____ (Cust.) _____ (Minor)
(State)

Additional abbreviations may also be used though not in the above list.

[FORM OF ASSIGNMENT FOR SERIES 2013 BONDS]

For value received, the undersigned hereby sells, assigns and transfers unto _____ within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney to transfer the said Bond on the books of the District, with full power of substitution in the premises.

Dated:

Social Security Number or Employer:

Identification Number of Transferee:

Signature guaranteed:

NOTICE: Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

NOTICE: The assignor's signature to this Assignment must correspond with the name as it appears on the face of the within Bond in every particular without alteration or any change whatever.

Exhibit B

**MEDITERRA SOUTH COMMUNITY DEVELOPMENT DISTRICT
(Collier County, Florida)**

**[\$[Bond Amount]]
Capital Improvement Revenue Refunding Bonds,
Series 2013**

[BPA Date]

BOND PURCHASE AGREEMENT

Mediterra South Community Development District
Collier County, Florida

Ladies and Gentlemen:

FMSBonds, Inc, on behalf of itself and as representative of. MBS Capital Markets, LLC (collectively, the “Underwriters”) offers to enter into this Bond Purchase Agreement with Mediterra South Community Development District (the “District” or the “Issuer”). This offer is made subject to written acceptance hereof by the Issuer at or before 12:00 midnight, New York time, on the date hereof. If not so accepted, this offer will be subject to withdrawal by the Underwriters upon written notice delivered to the Issuer at any time prior to the acceptance hereof by the Issuer.

1. Purchase and Sale. Upon the terms and conditions and in reliance on the representations, warranties, covenants and agreements set forth herein, the Underwriters hereby agree to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Underwriters, all (but not less than all) of the \$[Bond Amount] aggregate principal amount of the Issuer’s Capital Improvement Revenue Refunding Bonds, Series 2013 (the “Bonds”). The Bonds shall be dated as of the date of their delivery and shall be payable on the dates and principal amounts, bear such rates of interest and be subject to redemption, all as set forth in Exhibit A attached hereto. Interest on the Bonds is payable semi-annually on May 1 and November 1 each year, commencing November 1, 2013. The purchase price for the Bonds shall be \$[Purchase Price] (representing the par amount of the Bonds of \$[Bond Amount] less an original issue discount of \$[OID] and less an Underwriters’ discount of \$[Discount]).

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

The Bonds are authorized and issued pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended, any successor or statute thereto, the Florida Constitution, and other applicable provisions of law (collectively, the “Act”) and an Ordinance enacted by the Board of County Commissioners of Collier County, Florida effective on September 14, 1999, as amended and supplemented. The District was established for the purposes, among other things, of financing and managing the planning, acquisition, construction, maintenance and operation of the infrastructure necessary for community development in Mediterra (the “Development”). The Bonds are being issued pursuant to the Act and a Master Trust Indenture, dated as of December 1, 1999 (the “Master Indenture”), from the District to U.S. Bank National Association, as successor in trust to First Union National Bank, as trustee (the “Trustee”), as supplemented by a Fifth Supplemental Trust Indenture, dated as of May 1, 2012 (the “Fifth Supplement” and, together with the Master Indenture, the “Indenture”), Resolution Nos. 99-14 and

99-16 adopted by the District on September 22, 1999, Resolution Nos. 2000-2 and 2000-5 adopted by the District on December 20, 1999, Resolution No. 2001-18 adopted by the District on June 27, 2001 and Resolution No. 2013-[], adopted by the District on April [], 2013 (collectively, the “Resolutions”).

The Bonds are being issued to: (i) refund and redeem all of the Outstanding principal amount of the District’s Capital Improvement Revenue Bonds, Series 2003A (the “Series 2003A Bonds”); (ii) pay certain costs associated with the issuance of the Bonds; and (iii) make a deposit into the Series 2013 Reserve Account for the benefit of all of the Bonds.

The principal and interest on the Bonds are payable from and secured by the Series 2013 Trust Estate, which includes the Series 2013 Pledged Revenues. The Series 2013 Pledged Revenues consist primarily of Series 2013 Assessments derived by the District from non ad-valorem special assessments levied against certain residential lands in the Development that are subject to assessment imposed pursuant to the Series 2013 Assessment Proceedings (as defined in the Indenture) or any portion thereof.

2. Delivery of Limited Offering Memorandum and Other Documents. (a) Prior to the date hereof, the Issuer provided to the Underwriters for its review the Preliminary Limited Offering Memorandum dated [POS Date] (the “Preliminary Limited Offering Memorandum”), that the Issuer deemed final as of its date, except for certain permitted omissions (the “permitted omissions”), as contemplated by Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”) in connection with the pricing of the Bonds. The Issuer hereby confirms that the Preliminary Limited Offering Memorandum was deemed final as of its date, except for the permitted omissions.

(b) The Issuer shall deliver, or cause to be delivered, at its expense, to the Underwriters within seven (7) business days after the date hereof or use good faith to deliver within such shorter period as may be requested by the Underwriters and at least three (3) business days prior to the date the Bonds are delivered to the Underwriter, or within such other period as the Underwriters may inform the Issuer which is necessary for the Underwriters to comply with regulations of the Municipal Securities Rulemaking Board (“MSRB”) in order to accompany any confirmation that requests payment from any customer (i) sufficient copies of the final Limited Offering Memorandum (the “Limited Offering Memorandum”) to enable the Underwriters to fulfill their obligations pursuant to the securities laws of Florida and the United States, in form and substance satisfactory to the Underwriters, and (ii) an executed original counterpart or certified copy of the Limited Offering Memorandum and the Indenture. In determining whether the number of copies to be delivered by the Issuer are reasonably necessary, at a minimum, the number shall be determined by the Underwriters and conveyed to the Issuer as shall be sufficient to enable the Underwriters to comply with the requirements of the Rule, all applicable rules of the MSRB, and to fulfill its duties and responsibilities under Florida and federal securities laws generally.

The Underwriters agree to file the Limited Offering Memorandum in accordance with applicable MSRB rules.

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

(c) From the date hereof until the earlier of (i) ninety days from the “end of the underwriting period” (as defined in the Rule), or (ii) the time when the Limited Offering Memorandum is available to any person from the MSRB (but in no case less than 25 days following

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

3. Authority of the Underwriters. FMSBonds, Inc. is duly authorized to execute this Bond Purchase Agreement on behalf of itself and as representative of the Underwriters and the Underwriters are duly authorized to perform their obligations hereunder. The Underwriters hereby represent that neither they nor any "person" or "affiliate" of each of them has been on the "convicted vendor list" during the past 36 months, as all such terms are defined in Section 287.133, Florida Statutes, as amended.

4. Offering and Sale of Bonds. The Underwriters agree to make a bona fide offering to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of Underwriters or wholesalers) of all of the Bonds at not in excess of the initial public offering price or prices (or below the yield or yields) set forth in Exhibit A hereto; provided, however, that the underwriters may (i) offer and sell the Bonds to certain bond houses, brokers or to similar persons or organizations acting in the capacity of underwriters or wholesalers at prices lower than the public offering prices set forth in Exhibit A hereto, and (ii) change such initial offering prices (or yields) as the Underwriters deem necessary in connection with the marketing of the Bonds.

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

5. Issuer Representations, Warranties, Covenants and Agreements. The Issuer represents and warrants to and covenants and agrees with the Underwriters that, as of the date hereof and as of the date of the Closing:

(a) The District is a local unit of special purpose government, duly organized and established and validly existing under the Act and the Constitution and laws of the State of Florida, with full legal right, power and authority (1) to impose, levy and collect the portion of the Series 2013 Assessments (as defined in the Supplemental Indenture) applicable to the District (the "Series 2013 Assessments") in the manner described in the Limited Offering Memorandum; (2) to issue the Bonds for the purposes for which they are to be issued, as described in the Limited Offering Memorandum, (3) to secure the Bonds as provided by the Indenture, (4) to enter into the obligations under the Fifth Supplement, the Continuing Disclosure Agreement dated [Date of Closing] (the "Continuing Disclosure Agreement"), and (5) to carry out and consummate all of the transactions contemplated by the Indenture, this Bond Purchase Agreement, the escrow deposit agreement dated as of [Date of Closing], by and between the District and U.S. Bank National Association, as escrow agent (in such

capacity, the “Escrow Agent”) relating to the Prior Bonds (the “Escrow Agreement”) and the Continuing Disclosure Agreement.

(b) The District has complied with the Resolutions, the Act, and the Constitution and laws of the State of Florida in all matters relating to this Bond Purchase Agreement, the Indenture, the Continuing Disclosure Agreement, the Escrow Agreement and the imposition, and levy and collection of the Series 2013 Assessments.

(c) The District has duly authorized and approved (1) the execution and delivery, or adoption, as the case may be, and performance of the Indenture, this Bond Purchase Agreement, the Series 2013 Assessments, the Escrow Agreement, the Continuing Disclosure Agreement and the Bonds, (2) the use and distribution of the Preliminary Limited Offering Memorandum and the execution delivery and distribution of the Limited Offering Memorandum, and (3) the taking of any and all such action as may be required on the part of the District to carry out, give effect to and consummate the transactions contemplated by this Bond Purchase Agreement, the Indenture, the Series 2013 Assessments, the Bonds, the Escrow Agreement, the Continuing Disclosure Agreement and the Limited Offering Memorandum.

(d) Each of the Fifth Supplement, the Escrow Agreement, the Continuing Disclosure Agreement and this Bond Purchase Agreement constitutes a legally valid and binding obligation of the District enforceable in accordance with its terms, and, upon due authorization, execution and delivery hereof and thereof by the parties hereto, will constitute the legal, valid and binding obligation of the District enforceable in accordance with its terms.

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

(f) Upon the execution, authentication, issuance and delivery of the Bonds as aforesaid, the Fifth Supplement will provide, for the benefit of the holders from time to time of the Bonds, a legally valid and binding pledge of and a security interest in and to the Series 2013 Pledged Revenues pledged to the Bonds, subject only to the provisions of the Fifth Supplement permitting the application of such Series 2013 Pledged Revenues for the purposes and on the terms and conditions set forth in the Fifth Supplement.

(g) Other than any approvals that might be required under the securities laws of any state, no approval, permit, consent or authorization of, or registration or filing with, any governmental or public agency or authority or any other entity not already obtained or made, or to be made simultaneously with the issuance of the Bonds, is required to be obtained by the District in connection with the issuance and sale of the Bonds, or the execution and delivery by the District of, or the due performance of its obligations under, this Bond Purchase Agreement, the Indenture, the Bonds, the Escrow Agreement and the Continuing Disclosure Agreement, and any such approvals, permits, consents or authorizations so obtained are in full force and effect.

(h) The District is not in breach of or in default under any applicable constitutional provision, law or administrative regulation of the State of Florida or the United States, the Indenture, the Bonds, the Escrow Agreement, the Continuing Disclosure Agreement or any applicable judgment or decree or any other loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, that could have a materially adverse effect on the business or

operations of the District, and no event of default by the District has occurred and is continuing under any such instrument.

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

(j) Except as disclosed in the Limited Offering Memorandum, there is no action, suit, hearing, inquiry or investigation, at law or in equity, before or by any court, public board, agency or body, pending or, to the best knowledge of the District, threatened against or affecting the District or any of its supervisors in their respective capacities as such, in which an unfavorable decision, ruling or finding would, in any material way, adversely affect (1) the transactions contemplated by the Indenture, this Bond Purchase Agreement, the Escrow Agreement, the Continuing Disclosure Agreement, the Bonds or the proceedings relating to the Series 2013 Assessments, (2) the organization, existence or powers of the District or any of its supervisors or officers in their respective capacities as such, (3) the business, properties or assets or the condition, financial or otherwise, of the District, (4) the validity or enforceability of the Bonds, this Bond Purchase Agreement, the Escrow Agreement, the Indenture, the Series 2013 Assessments, the Continuing Disclosure Agreement or any other agreement or instrument to which the District is a party and which is used or contemplated for use in the transactions contemplated hereby or by the Indenture, (5) the exclusion from gross income for federal income tax purposes of the interest on the Bonds, (6) the exemption under the Act of the Bonds and the interest thereon from taxation imposed by the State of Florida, (7) the legality of investment in the Bonds for certain investors as provided in the Act, (8) the issuance, sale or delivery of the Bonds, or (9) the collection of the Series 2013 Assessments and the pledge thereof under the Indenture to pay the principal or premium, if any, or interest on the Bonds.

(k) The District has not issued, assumed or guaranteed any indebtedness, incurred any material liabilities, direct or contingent, or entered into any contract or arrangement of any kind payable from or secured by a pledge of the Series 2013 Pledged Revenues pledged to the Bonds with a lien thereon prior to or on a parity with the lien of the Bonds.

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

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

(n) No representation or warranty by the District in this Bond Purchase Agreement nor any statement, certificate, document or exhibit furnished to or to be furnished by the District

pursuant to this Bond Purchase Agreement or the Limited Offering Memorandum or in connection with the transactions contemplated hereby contains or will contain on the date of Closing any untrue statement of a material fact or omits or will omit a material fact necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading, provided, however, that no representation is made with respect to information concerning The Depository Trust Company or the Underwriters.

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

6. The Closing. At 12:00 noon, New York time, on [Date of Closing], or at such earlier or later time or date to which the Issuer and the Underwriters may mutually agree, the Issuer will, subject to the terms and conditions hereof, deliver the Bonds to the Underwriters in full book-entry form, duly executed, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriters will accept such delivery and pay the aggregate purchase price of the Bonds as set forth in Paragraph 1 hereof (such delivery of and payment for the Bonds is herein called the "Closing"). The Issuer shall cause CUSIP identification numbers to be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Underwriters to accept delivery of and pay for the Bonds in accordance with the terms of this Bond Purchase Agreement. The Closing shall occur at the offices of the Issuer, or such other place to which the Issuer and the Underwriters shall have mutually agreed. The Bonds shall be prepared and delivered as fully registered bonds in such authorized denominations and registered in full book-entry form in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC") and shall be delivered to DTC during the business day prior to the Closing for purposes of inspection, unless the DTC "F.A.S.T." procedure is used which requires the Registrar to retain possession of the Bonds.

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

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

(b) At the Closing, (1) the Indenture, the Series 2013 Assessments, the Escrow Agreement, and the Continuing Disclosure Agreement shall be in full force and effect and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriters, and the District shall have adopted and there shall be in full force and effect such additional agreements therewith and in connection with the issuance of the Bonds all such action as in the reasonable opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby, (2) the Limited Offering Memorandum shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriters, (3) there shall not have occurred any event that causes the Limited Offering Memorandum or any amendment or

supplement thereto to contain an untrue or misleading statement of fact that in the opinion of the Underwriters or their counsel is material or omits to state a fact that in the opinion of the Underwriters or their counsel is material and necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, (4) the District shall perform or shall have performed all of its obligations under or specified in the Indenture, this Bond Purchase Agreement, the Escrow Agreement and the Continuing Disclosure Agreement to be performed at or prior to the Closing, and (5) the Bonds shall have been duly authorized, executed, authenticated and delivered;

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

(1) Certificates, dated the date of Closing regarding the Limited Offering Memorandum and no default;

(2) The Resolutions, certified by authorized officers of the District under its seal as a true and correct copy and as having been adopted with only such amendments, modifications or supplements as may have been approved by the Underwriters;

(3) The Fifth Supplement and the proceedings relating to the levy of the Series 2013 Assessments, certified by authorized officers of the District as true and correct copies;

(4) The Limited Offering Memorandum, executed on behalf of the District by the Chairman of its Board of Supervisors;

(5) A certificate of the District, dated the date of Closing, signed on its behalf by the Chairman and the Secretary of its Board of Supervisors, in substantially the form of Exhibit C hereto;

(6) An opinion, dated the date of Closing, of Akerman Senterfitt, Orlando, Florida, Bond Counsel, substantially in the form attached as an Appendix to the Limited Offering Memorandum;

(7) A supplemental opinion, dated the date of Closing, of Bond Counsel to the effect that (i) the Underwriters may rely on the approving opinion of Bond Counsel as though such opinion were addressed to them; (ii) the Bonds are exempt securities within the meaning of Section 3(a)(2) of the Securities Act of 1933, as amended (the "1933 Act"), and Section 304(a)(4) of the Trust Indenture Act of 1939, as amended (the "1939 Act") and it is not necessary in connection with the sale of the Bonds to the public to register the Bonds under the 1933 Act, or to qualify the Indenture under the 1939 Act; and (iii) Bond Counsel has reviewed the statements contained in the Limited Offering Memorandum under the sections captioned "DESCRIPTION OF THE SERIES 2013 BONDS" (other than the portion thereof captioned "Book-Entry Only System" and other than any information therein relating to DTC or the book-entry system) "PLAN OF REFUNDING" and "SECURITY FOR AND SOURCE OF PAYMENT OF BONDS" and is of the opinion that insofar as such statements purport to summarize certain provisions of the Bonds and the Indenture, that such statements fairly represent the documents purported to be summarized therein. Bond Counsel has also reviewed the statements contained in the Limited Offering Memorandum under the sections captioned "TAX EXEMPTION" and are of the opinion that insofar as such sections purport to summarize the provisions of the Internal Revenue Code of 1986 as amended, applicable laws of the State of Florida, are correct as to matters of law;

(8) An opinion, dated the date of Closing, of Hopping Green & Sams, P.A., Tallahassee, Florida, as Counsel to the District, in substantially the form of Exhibit D hereto;

(9) An opinion, dated the date of Closing, of Nabors, Giblin & Nickerson P.A., Counsel to the Underwriters (“Underwriters’ Counsel”), in substantially the form of Exhibit F hereto;

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

(11) Specimen Bonds;

(12) A copy of the executed Letter of Representations between the District and The Depository Trust Company, New York, New York;

(13) Copies of the Special Assessment Methodology Supplement for the Series 2003A Bonds dated [], the Special Assessment Methodology Supplement for the Series 2003 Bonds dated [], all prepared by Fishkind & Associates, Inc., as amended by the Supplemental Special Assessment Methodology Report dated [], as amended, prepared by Wrathell, Hunt & Associates, LLC and a certificate from Wrathell, Hunt & Associates, LLC in substantially the form attached hereto as Exhibit E;

(14) An opinion, dated the date of the Closing of counsel to the Trustee substantially to the effect that such trust company or commercial bank is a duly organized trust company or commercial bank with necessary powers to serve as trustee under the Indenture and has duly and with legal authority executed and delivered the Indenture and that the Indenture are binding and enforceable against the Trustee, all in form and substance satisfactory to the Underwriters;

(15) An opinion, dated the date of the Closing of counsel to the Escrow Agent substantially to the effect that such trust company or commercial bank is a duly organized trust company or commercial bank with necessary powers to serve as escrow agent under the Escrow Agreement and has duly and with legal authority executed and delivered the Escrow Agreement and that the Escrow Agreement is binding and enforceable against the Escrow Agent, in form and substance satisfactory to the Underwriters;

(16) Executed Continuing Disclosure Agreement;

(17) An executed Verification Report;

(18) A certificate executed by the District Manager for the District that all resolutions required to be published by Florida law have been published in accordance with the requirements of Florida law;

(19) Executed counterparts of the Escrow Agreement;

(20) An opinion of Bond Counsel to the effect that the defeasance of the Prior Bonds is permitted by the Indenture (as defined in the Limited Offering Memorandum) and that such defeasance will not affect the tax-exempt status of the Prior Bonds; and

(21) Such additional legal opinions, certificates (including such certificates as may be required by regulations of the Internal Revenue Service in order to establish the tax exempt character of the Bonds, which certificates shall be satisfactory in form and substance to Bond Counsel), and other evidence as the Underwriters, Bond Counsel or Underwriters' Counsel may deem necessary to evidence the truth and accuracy as of the Closing of the representations and warranties of the District herein contained and of the information contained in the Limited Offering Memorandum and the due performance and satisfaction by the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by it.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Bond Purchase Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance as set forth herein or as described herein or as otherwise satisfactory to the Underwriters. Receipt of, and payments for, the Bonds shall constitute evidence of the satisfactory nature of such as to the Underwriters. The performance of any and all obligations of the District hereunder and the performance of any and all conditions herein for the benefit of the Underwriters may be waived by the Underwriters in their sole discretion.

If the District shall be unable to satisfy the conditions to the obligations of the Underwriters to cause the purchase, acceptance and delivery and payment for the Bonds contained in this Bond Purchase Agreement, or if the obligations of the Underwriters to cause the purchase, acceptance of delivery and payment of the Bonds shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate, and neither the Underwriters nor the District shall be under further obligation hereunder, but the respective obligations of the Underwriters and the District set forth in Section 9 hereof shall continue in full force and effect.

8. Termination. The Underwriters may terminate this Bond Purchase Agreement by written notice to the Issuer in the event that between the date hereof and the Closing:

(a) the marketability of the Bonds or the market price thereof, in the reasonable opinion of the Underwriters, has been materially adversely affected by an amendment to the Constitution of the United States or by any legislation (other than any actions taken by either House of Congress on or prior to the date hereof) (i) enacted or adopted by the United States, (ii) recommended to the Congress or otherwise endorsed for passage, by press release, other form of notice or otherwise, by the President of the United States, the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, the Treasury Department of the United States or the Internal Revenue Service, or (iii) favorably reported out of the appropriate Committee for passage to either House of the Congress by any full Committee of such House to which such legislation has been referred for consideration, or by any decision of any court of the United States or by any order, rule or regulation (final, temporary or proposed) on behalf of the Treasury Department of the United States, the Internal Revenue Service or any other authority or regulatory body of the United States, or by a release or announcement or communication issued or sent by the Treasury Department or the Internal Revenue Service of the United States, or any comparable legislative, judicial or administrative development affecting the federal tax status of the Issuer, its property or income, obligations of the general character of the Bonds, as contemplated hereby, or the interest thereon; or

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

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

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

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

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

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

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

(i) any national securities exchange, or any governmental authority, shall impose, as to the Bonds or obligations of the general character of the Bonds any material restrictions not now in force, or increase materially those now in force, with respect to the establishment of material restrictions upon trading of securities, including limited or minimum prices, by any governmental authority or by any national securities exchange, which in the reasonable opinion of the Underwriter, materially adversely affects the market for the Bonds or the sale, at the contemplated offering prices, by the Underwriters of the Bonds to be purchased by it; or

(j) legal action shall have been filed against the Issuer wherein an adverse ruling would materially adversely affect the transactions contemplated hereby or by the Limited Offering Memorandum or the validity of the Bonds, the Resolutions, the Indenture, the Continuing Disclosure Agreement, the Escrow Agreement or this Bond Purchase Agreement; provided, however, that as to any such litigation, the Issuer may request and the Underwriters may accept an opinion by Bond Counsel, or of other counsel acceptable to the Underwriters, that in such counsel's opinion the issues raised by any such litigation or proceeding are without substance or that the contentions of any plaintiffs therein are without merit; or

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

(l) any information shall have become known which, in the Underwriters' reasonable opinion, makes untrue, incorrect or misleading in any material respect any statement or information contained in the Limited Offering Memorandum, as the information contained therein has been supplemented or amended by other information, or causes the Limited Offering Memorandum, as so supplemented or amended, to contain an untrue, incorrect or misleading statement of a material fact or to omit to state a material fact necessary to be stated therein in order to make the statements made therein, in light of the circumstances under which they were made, not misleading and upon the receipt of notice of same by the Issuer, the Issuer fails to promptly amend or supplement the Limited Offering Memorandum; or

(m) an event occurs as a result of which the Limited Offering Memorandum, as then amended or supplemented, would include an untrue statement of a material fact or omit to state any material fact which is necessary to be stated therein in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading which, in the reasonable opinion of the Underwriters, requires an amendment or supplement to the Limited Offering Memorandum and, in the reasonable opinion of the Underwriters, materially adversely affects the marketability of the Bonds or the contemplated offering prices thereof and upon the receipt of notice by the Issuer, the Issuer fails to promptly amend or supplement the Limited Offering Memorandum.

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

9. Expenses.

(a) The District agrees to pay from the proceeds of the Bonds, and the Underwriters shall be under no obligation to pay, all expenses incident to the performance of the District's obligations hereunder, including but not limited to (1) the cost of the preparation, printing or other reproduction (for distribution prior to, on or after the date of acceptance of this Bond Purchase Agreement) of a reasonable number of copies of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum; (2) the fees and disbursements of Bond Counsel, District Counsel, counsel to the Underwriters and any other experts or consultants retained by the District, including, but not limited to, the fees and expenses of the District Manager and the Verification Agent; (3) the fees and disbursements of the Trustee, Bond Registrar and Paying Agent under the Indenture and Trustee Counsel's fees and expenses; (4) charges by rating agencies for the rating of

the Bonds; (5) out-of-pocket expenses of the District and (6) the fees of the Escrow Agent under the Escrow Agreement.

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

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

10. Fiduciary. The Issuer acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Bond Purchase Agreement is an arm's-length commercial transaction between the Issuer and the Underwriters, (ii) in connection therewith and with the discussions, undertaking and procedures leading up to the consummation of such transaction, the Underwriters are and have been acting solely as a principal and is not acting as the agent or fiduciary of the Issuer, (iii) the Underwriters have not assumed an advisory or fiduciary responsibility in favor of the Issuer with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to the Issuer on other matters) and the Underwriters have no obligation to the Issuer with respect to the offering contemplated hereby except the obligations expressly set forth in this Bond Purchase Agreement, and (iv) the Issuer has consulted its own legal, financial and other advisors to the extent it has deemed appropriate.

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

The Underwriter: MBS Capital Markets, LLC
4890 West Kennedy Boulevard, Suite 288
Tampa, Florida 33609
Attn: Edwin M. Bulleit

The District: Mediterra South
Community Development District
c/o Wrathell, Hunt and Associates, LLC
9220 Bonita Beach Road, Suite 214
Bonita Beach, Florida 34135
Attn: Chuck Adams

Copy to: Hopping, Green & Sams, P.A.
119 South Monroe Street, Suite 300
Tallahassee, Florida 32301
Attn: Jonathan Johnson, Esq.

12. Parties in Interest. This Bond Purchase Agreement is made solely for the benefit of the Issuer and the Underwriters (including the successors or assignees of the Issuer or the Underwriters) and no other party or person shall acquire or have any right hereunder or by virtue hereof. All representations, warranties, covenants and agreements in this Bond Purchase Agreement shall remain operative and in full force and effect, regardless of: (i) any investigations made by or on behalf of the Underwriters; (ii) the delivery of and payment for the Bonds pursuant to this Bond Purchase Agreement; or (iii) any termination of this Bond Purchase Agreement but only to the extent provided by the last paragraph of Section 7 hereof.

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

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

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

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

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

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

(a) The Issuer is proposing to issue \$[Bond Amount] of its Capital Improvement Revenue Refunding Bonds, Series 2013 (the "Bonds"), for the purposes of (i) refunding and redeeming all of the Outstanding principal amount of the District's Capital Improvement Revenue Bonds, Series 1999A (the "Series 2003A Bonds"); (ii) refunding and redeeming all of the Outstanding principal amount of the District's Capital Improvement Revenue Bonds, Series 2003A (the "Refunded Bonds"); (iv) paying certain costs associated with the issuance of the Bonds; and (v) making a deposit into the Series 2013 Reserve Account for the benefit of all of the Bonds. This obligation is expected to be repaid over a period of approximately [] years. At a true interest cost of approximately []%, total interest paid over the life of the obligations will be \$[].

(b) The sources of repayment for the Bonds are the Series 2013 Pledged Revenues (as described in Paragraph 1 hereof). Authorizing this obligation will result in an average of approximately \$[] not being available to finance other services of the Issuer every year for approximately [] years.

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

Very truly yours,

FMSBONDS, INC., on behalf of itself and as representative of MBS Capital Markets, LLC

By: _____
Name:

Accepted by:

**MEDITERRA SOUTH COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Name: Kenneth Nails
Title: Chair

EXHIBIT A

MATURITIES, AMOUNTS, INTEREST RATES, YIELDS AND INITIAL CUSIP NUMBERS¹

**[\$[Bond Amount]*
Capital Improvement Revenue Refunding Bonds,
Series 2013**

\$ Serial Series 2013 Bonds

<u>Maturity (May 1)</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Initial CUSIP No.</u>
2013				
2014				
2015				
2016				
2017				
2018				
2019				
2020				
2021				
2022				
2023				

\$ % Term Series 2013 Bond Due May 1, - Yield: % - CUSIP Noz

REDEMPTION PROVISIONS

Optional Redemption of Series 2013 Bonds. The Series 2013 Bonds may, at the option of the District, be called for redemption prior to maturity as a whole or in part at any time on or after May 1, 2023 (less than all Series 2013 Bonds to be selected by lot), at a Redemption Price equal to the principal amount of the Series 2013 Bonds (or portion thereof to be redeemed) plus accrued interest from the most recent Interest Payment Date to the redemption date.

Mandatory Redemption in Part of Series 2013 Bonds. The Series 2013 Bonds which are Term Bonds maturing on May 1, 20[] are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2013 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments (as defined in the Master 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:

* Preliminary, subject to change.

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

<u>Year (May 1)</u>	<u>Principal Amount</u>	<u>Year (May 1)</u>	<u>Principal Amount</u>
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*Final Maturity

The Series 2013 Bonds which are Term Bonds maturing on May 1, 2033 are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2013 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments (as defined in the Master 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>Year (May 1)</u>	<u>Principal Amount</u>	<u>Year (May 1)</u>	<u>Principal Amount</u>
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*Final Maturity

As more particularly set forth in the Master Indenture and Supplemental Indenture, any Series 2013 Bonds that are purchased by the District with amounts held to pay an Amortization Installment will be canceled and the principal amount so purchased will be applied as a credit against the applicable Amortization Installment of Series 2013 Bonds. Amortization Installments are also subject to recalculation, as provided in the Supplemental Indenture, as the result of the redemption of Series 2013 Bonds so as to reamortize the remaining Outstanding principal balance of the Series 2013 Bonds (including any Series 2013 Bonds which are Serial Bonds) over the remaining term thereof in substantially equal annual installments of principal and interest corresponding to the Series 2013 Assessments.

Extraordinary Mandatory Redemption in Whole or in Part of Series 2013 Bonds. The Series 2013 Bonds are subject to extraordinary mandatory redemption prior to maturity by the District, in whole or in part on any date, at an extraordinary mandatory redemption price equal to 100% of the principal amount of the Series 2013 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from amounts deposited into the Series 2013 Prepayment Subaccount of the Series 2013 Redemption Account in the Redemption Fund following the payment in whole or in part of Series 2013 Assessments in accordance with the provisions of the Second Supplemental Indenture; and

(ii) from moneys, if any, on deposit in the Series 2013 Reserve Account, together with other moneys available therefor, sufficient to pay and redeem all Series 2013 Bonds Outstanding and accrued interest thereon to the redemption date.

If less than all of the Series 2013 Bonds of any one maturity shall be called for redemption, the particular Series 2013 Bonds to be redeemed shall be selected by lot in such reasonable manner as the Bond Registrar in its discretion may determine. The portion of any Series 2013 Bonds to be redeemed shall be in an Authorized Denomination and, in selecting the Series 2013 Bonds to be redeemed, the Bond Registrar shall treat each such Series 2013 Bond as representing that number of Series 2013 Bonds which is obtained by dividing the principal amount of such Series 2013 Bond by an Authorized Denomination (such amount being hereafter referred to as the "unit of principal amount").

If it is determined that one or more, but not all, of the units of principal amount represented by any such Series 2013 Bond is to be called for redemption, then upon notice of intention to redeem such unit or units of principal amount as provided below, the registered Owner of such Series 2013 Bond, upon surrender of such Series 2013 Bond to the Paying Agent for payment to such registered Owner of the redemption price of the unit or units of principal amount called for redemption, shall be entitled to receive a new Series 2013 Bond or Bonds in the aggregate principal amount of the unredeemed balance of the principal amount of such Series 2013 Bond. New Series 2013 Bonds representing the unredeemed balance of the principal amount shall be issued to the Owner thereof without any charge therefor. If the Owner of any Series 2013 Bond of a denomination greater than the unit of principal amount to be redeemed shall fail to present such Series 2013 Bond to the Paying Agent for payment in exchange as aforesaid, such Series 2013 Bond shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the unit or units of principal amount called for redemption.

EXHIBIT B

**MEDITERRA SOUTH COMMUNITY DEVELOPMENT DISTRICT
(Collier County, Florida)**

**[\$[Bond Amount]
Capital Improvement Revenue Refunding Bonds,
Series 2013**

DISCLOSURE STATEMENT

[BPA Date]

Mediterra South Community Development District
Collier County, Florida

Ladies and Gentlemen:

Pursuant to Chapter 218.385, Florida Statutes, and with respect to the issuance of the above-referenced bonds (the "Bonds"), MBS Capital Markets, LLC, on behalf of itself and as representative of FMSBonds, Inc. (collectively, the "Underwriters"), having purchased the Bonds pursuant to a Bond Purchase Agreement dated as of [BPA Date] (the "Purchase Agreement") between the Underwriters and Mediterra South Community Development District (the "District"), makes the following disclosures in connection with the limited public offering and sale of the Bonds:

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

(b) The total amount of expenses estimated to be incurred by the Underwriters in connection with the issuance of the Bonds is \$_____. An itemization of these expenses is attached hereto as Schedule I.

(c) There are no "finders" as such term is used in Sections 218.385 and 218.386, Florida Statutes, in connection with the issuance of the Bonds.

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

Management Fee:	\$____/\$1,000	or	\$_____
Takedown:	\$____/\$1,000	or	\$_____
Expenses:	\$____/\$1,000	or	\$_____

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

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

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

MBS Capital Markets, LLC
4890 West Kennedy Boulevard, Suite 288
Tampa, Florida 33609

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

Very truly yours,

FMSBonds, Inc., on behalf of
itself and as representative of MBS Capital
Markets, LLC

By: _____
Name:

Title:

SCHEDULE I

ESTIMATED EXPENSES TO BE INCURRED BY UNDERWRITERS

Travel Expenses	\$ _____
Communication	\$ _____
Day Loan	\$ _____
Clearance & Settlement Charges	\$ _____
CUSIP / DTC	\$ _____
Contingency	\$ _____
<hr/>	
Total	\$ _____

EXHIBIT C

CERTIFICATE OF DISTRICT

The undersigned, as Chair and Secretary, respectively, of the Board of Supervisors of Mediterra South Community Development District (the "District"), a local unit of special-purpose government duly established and validly existing under and pursuant to the Constitution and laws of the State of Florida, particularly Chapter 190, Florida Statutes, as amended (the "Act"), hereby certify to FMSBonds, Inc. and MBS Capital Markets, LLC (collectively, the "Underwriters") in satisfaction of Section 7(c)(6) of the Bond Purchase Agreement, dated [BPA Date], with the District (the "Bond Purchase Agreement") in connection with the issuance by the District of \$[Bond Amount] aggregate principal amount of its Capital Improvement Revenue Refunding Bonds, Series 2013 (the "Bonds"), as follows (terms used and not otherwise defined herein shall have the meaning ascribed to such terms in the Bond Purchase Agreement):

1. Kenneth Nails is the duly appointed and acting Chair of, and Chuck Adams is the duly appointed and acting Secretary to, the Board of Supervisors of the District, authorized by resolution of the Board of Supervisors of the District pursuant to the Act to be custodian of all bonds, documents and papers filed with the District and the official seal of the District.

2. The following named persons are as of the date hereof the duly elected, qualified and acting members of the Board of Supervisors of the District:

<u>Name</u>	<u>Title</u>	<u>Current Term Commenced</u>	<u>Term Expires</u>
Kenneth Nails	Chair	Nov. 2012	Nov. 2016
Dallas Luby	Vice Chair	Nov. 2010	Nov. 2014
Michael J. Bishko	Assistant Secretary	Nov. 2012	Nov. 2016
Bill Rowe	Assistant Secretary	Dec. 2012	Nov. 2016
Kenneth J. Tarr	Assistant Secretary	Feb. 2011	Nov. 2014

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

<u>Name</u>	<u>Title</u>
Kenneth Nails	Chair
Dallas Luby	Vice Chair
Michael J. Bishko	Assistant Secretary
Bill Rowe	Assistant Secretary
Kenneth J. Tarr	Assistant Secretary

Each of said persons since his appointment as aforesaid has been and now is the duly designated and qualified officer of the Board of Supervisors of the District holding the office set forth opposite his name, if required to file an oath of office, has done so, and if legally required to give a bond or undertaking has filed such bond or undertaking in form and amount required by law.

4. The seal, an impression of which appears below, was duly adopted by the District as its official seal and is the only legally adopted, proper and official seal of the District.

5. The Board of Supervisors of the District, at duly called and held meetings of the Board of Supervisors of the District, adopted Resolution Nos. 99-14 and 99-16 on September 22, 1999, Resolution Nos. 2000-2 and 2000-5 on December 20, 1999, Resolution No. 2001-18 on June 27, 2001, Resolution No. 2013-[] on April [], 2013 and Resolution No. _____ on _____, 2013 (collectively, the “Resolutions”), which Resolutions remain in full force and effect on the date hereof.

6. The District has complied with the provisions of Chapters 170, 190 and 197, Florida Statutes related to the imposition, levy, collection and enforcement of the Series 2013 Assessments (each as defined in the Limited Offering Memorandum).

7. Upon authentication and delivery of the Bonds, the District will not be in default in the performance of the terms and provisions of the Resolutions, the Escrow Agreement or the Indenture.

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

9. The District has complied with all the agreements and satisfied all the conditions on its part to be complied with on or before the date hereof for delivery of the Bonds pursuant to the Bond Purchase Agreement, the Resolutions, the Escrow Agreement and the Indenture.

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

11. To the best of our knowledge, the statements appearing in the Limited Offering Memorandum did not as of its date and do not as of the date hereof contain an untrue statement of a material fact or omit to state a material fact required to be included therein or necessary in order to make the statements contained therein, in light of the circumstances in which they were made, not misleading; provided, however, that no representation is made with respect to information concerning The Depository Trust Company or its book-entry only system. Subject to the foregoing limitations, nothing has come to our attention which would lead us to believe that the Limited Offering Memorandum, as of its date or as of the date hereof contained an untrue statement of a material fact, or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made not misleading.

12. Except as disclosed in the Limited Offering Memorandum, there is no action, suit, hearing, inquiry or investigation, at law or in equity, before or by any court, public board, agency or body, pending or, to the best knowledge of the District, threatened against or affecting the District or any of its supervisors in their respective capacities as such, in which an unfavorable decision, ruling or finding would, in any material way, adversely affect (1) the transactions contemplated by the Indenture, the Bond Purchase Agreement, the Escrow Agreement, the Continuing Disclosure Agreement or the proceedings relating to the Series 2013 Assessments, (2) the organization, existence or powers of the District or any of its supervisors or officers in their respective capacities as such, (3) the business, properties or assets or the condition, financial or otherwise, of the District, (4) the validity or enforceability of the Bonds, the Bond Purchase Agreement, the Escrow Agreement, the Indenture, the Series 2013 Assessments, the Continuing Disclosure Agreement or any other agreement or instrument to which the District is a party and which is used or contemplated for use in the transactions contemplated hereby or by the Indenture, (5) the exclusion from gross income for federal income tax purposes of the interest on the Bonds, (6) the exemption under the Act of the Bonds and the interest thereon from taxation imposed by the State of Florida, (7) the legality of

investment in the Bonds for certain investors as provided in the Act, (8) the issuance, sale or delivery of the Bonds, or (9) the collection of the Series 2013 Assessments and the pledge thereof under the Indenture to pay the principal or premium, if any, or interest on the Bonds.

13. The District is not in default and has not been in default at any time after December 31, 1975 as to principal or interest with respect to any obligations issued or guaranteed by the District, except as may be otherwise disclosed in the Limited Offering Memorandum.

IN WITNESS WHEREOF, we have hereunder set our hands this ___ day of _____, 2013.

**MEDITERRA SOUTH COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Kenneth Nails
Chair of the Board of Supervisors

By: _____
Chuck Adams
Secretary to the Board of Supervisors

EXHIBIT D

FORM OF OPINION OF COUNSEL TO THE DISTRICT

[Date of Closing]

Mediterra South Community Development District
Collier County, Florida

MBS Capital Markets, LLC
Tampa, Florida

FMSBonds, Inc.
North Miami Beach, Florida

Ladies and Gentlemen:

We have acted as counsel to Mediterra South Community Development District (the “District”), a local unit of special purpose government, established pursuant to the Constitution and laws of the State of Florida (the “State”), particularly Chapter 190, Florida Statutes, as amended (the “Act”) in connection with the authorization, issuance and sale of its \$[Bond Amount] aggregate principal amount of Mediterra South Community Development District Capital Improvement Revenue Refunding Bonds, Series 2013 (the “Bonds”). Capitalized terms used herein and not otherwise defined, shall have the meaning ascribed to such term as provided in the Bond Purchase Agreement (defined below).

The Bonds have been authorized and issued pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended, any successor or statute thereto, the Florida Constitution, and other applicable provisions of law (collectively, the “Act”), an Ordinance enacted by the Board of County Commissioners of Collier County, Florida effective September 14, 1999, as amended and supplemented. The District was established for the purposes, among other things, of financing and managing the planning, acquisition, construction, maintenance and operation of the infrastructure necessary for community development in Mediterra (the “Development”). The Bonds are being issued pursuant to the Act and a Master Trust Indenture, dated as of December 1, 1999 (the “Master Indenture”), from the District to U.S. Bank National Association, as successor in trust to First Union National Bank, as trustee (the “Trustee”), as supplemented by a Fifth Supplemental Trust Indenture, dated as of May 1, 2012 (the “Fifth Supplement” and, together with the Master Indenture, the “Indenture”) and resolutions of the District authorizing the issuance of the Bonds. We are of the opinion that:

1. Under the Constitution and laws of the State, the District has been duly established and validly exists as a local unit of special purpose government with such powers as set forth in the Act, with good, right and lawful authority to enter into and to consummate the transactions contemplated by the Bond Purchase Agreement, dated [BPA Date] (the “Bond Purchase Agreement”) by and between the District and FMSBonds, Inc., on behalf of itself and MBS Capital Markets, LLC (collectively, the “Underwriters”), the Escrow Agreement dated as of [Date of Closing], relating to the Prior Bonds (the “Escrow Agreement”) by and between the District and U.S. Bank National Association, as escrow agent, and the Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”) dated [Date of Closing]; refund the Prior Bonds; impose, levy and collect the

Series 2013 Assessments, as defined in the Limited Offering Memorandum, to secure the Bonds as provided in the Indenture; adopt the Resolutions; and perform its obligations under the terms and conditions of the Resolutions, the Continuing Disclosure Agreement, the Escrow Agreement, and the Indenture.

2. The Indenture, the Escrow Agreement, the Continuing Disclosure Agreement and the Bond Purchase Agreement (together, the “District Documents”) have been duly executed and delivered by the District, are valid and binding upon the District and are enforceable against the District in accordance with their respective terms. The terms and provisions of the Indenture, the Continuing Disclosure Agreement and the Bond Purchase Agreement are in full force and effect on the date hereof and compliance by the District therewith neither conflicts with, constitutes a default under or results in a breach of the terms of any law or, to the best of my knowledge, any regulation, order, writ, injunction, decree of any court or governmental entity, any agreement or instrument to which the District is a party or results or will result in the creation or imposition of any encumbrance upon any of the properties or assets of the District other than those contemplated by the District Documents.

3. The proceedings undertaken by the District with respect to the Series 2013 Assessments have been in accordance with Florida law. The District has taken all action necessary to levy and impose the Series 2013 Assessments. The Series 2013 Assessments are legal, valid and binding first liens upon each parcel of land within the District against which such 1999 Series 2013 Assessments and 2001 Series 2013 Assessments are made. The Series 2013 Assessments are coequal with the lien of all state, county, district and municipal taxes, superior in dignity to all other lines, titles and claims, until paid.

4. To the best of our knowledge, and except as disclosed in the Limited Offering Memorandum, there is no litigation pending or threatened against the District (i) seeking to restrain or enjoin the issuance or delivery of the Bonds or the application of the proceeds thereof, the imposition, levy or collection of the Series 2013 Assessments pledged for the payment of the debt service on the Bonds (ii) contesting or affecting the authority for the issuance of the Bonds or the validity or enforceability of the Bonds or the District Documents or the transactions contemplated thereunder or by the Limited Offering Memorandum, (iii) contesting or affecting the establishment or existence, of the District or any of its Supervisors, officers or employees, its assets, property or condition, financial or otherwise, or contesting or affecting any of the powers of the District, including its power to enter into the District Documents, its power to collect and pledge the Series 2013 Assessments for the payment of the debt service on the Bonds; (iv) contesting or affecting the exclusion from gross income for Federal income tax purposes of interest on the Bonds; and (v) contesting or affecting the exemption under the Act of the Bonds and the interest thereon from taxation imposed by the State of Florida, or the legality of investment in the Bonds for certain investors as provided in the Act.

5. As of the date hereof, all necessary consents, approvals or other actions by or filings with any governmental authority or other entity, required for the adoption of the Resolutions and the execution and delivery of the Bond Purchase Agreement and the Indenture (except for any necessary “Blue Sky” filings or registrations, upon which matter we express no opinion), and for the performance by the District of the transactions required hereby, have been duly obtained or made and are in full force and effect.

6. The District has duly authorized the execution, delivery and distribution of the Limited Offering Memorandum, dated [BPA Date] and has duly ratified the use and distribution of the Preliminary Limited Offering Memorandum, dated [POS Date] (collectively, the “Limited Offering Memorandum”).

7. To our knowledge, based upon our review of the Limited Offering Memorandum and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Limited Offering Memorandum, as of the date hereof, nothing has come to our attention which would lead us to believe that the Limited Offering Memorandum when taken as a whole, contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading (except for the financial information and statistical data contained in the Limited Offering Memorandum or in the Appendices thereto, the information regarding DTC and its book-entry only system of registration, or those matters contained in opinions of Bond Counsel, as to all of which no opinion is expressed).

The foregoing opinion is qualified only to the extent that the enforceability of the Bonds, the Indenture, the Bond Purchase Agreement and the Escrow Agreement may be limited by bankruptcy, insolvency, moratorium or other laws affecting creditors' rights generally and the fact that specific performance and other equitable remedies are granted only in the discretion of a court.

We hereby consent to the references to the firm in the Limited Offering Memorandum.

Very truly yours,

EXHIBIT E

CERTIFICATE OF WRATHELL, HUNT AND ASSOCIATES, LLC

I, _____, _____ of Wrathell, Hunt and Associates, LLC, do hereby certify to Mediterra South Community Development District (the "District") and MBS Capital Markets, LLC and FMSBonds, Inc. (collectively, the "Underwriters") in connection with the issuance, sale and delivery by the District on this date of \$[Bond Amount] aggregate principal amount of Capital Improvement Revenue Refunding Bonds, Series 2013 (the "Bonds") as follows (terms used and not otherwise defined herein shall have the meaning ascribed to such term in the Limited Offering Memorandum dated [BPA Date] (the "Limited Offering Memorandum") of the District relating to the Bonds):

(i) Wrathell, Hunt and Associates, LLC has been retained by the District to prepare the Supplemental Special Assessment Methodology Report relating to the Bonds comprising a part of the assessment proceedings of the District (the "Report");

(ii) the Series 2013 Assessments when, as and if finally determined in accordance with the methodology set forth in such report will be sufficient to meet the debt service requirements on the Bonds;

(iii) Wrathell, Hunt and Associates, LLC consents to the use of the Report included as Appendix A to the Limited Offering Memorandum;

(v) Wrathell, Hunt and Associates, LLC consents to the references to the firm in the Limited Offering Memorandum; and

(vi) the Report was prepared in accordance with all applicable provisions of Florida law.

The information contained in the Limited Offering Memorandum under the captions "THE SERIES 2013 ASSESSMENTS" and "THE SERIES 2013 ASSESSMENT AREA" is true and correct in all material respects, and, such information does not contain any untrue statement of a material fact or omit to state any fact necessary in order to make the statements therein, in light of the circumstances under which they were made not misleading.

IN WITNESS WHEREOF, the undersigned has set his hand this 17th day of May, 2012.

**WRATHELL, HUNT AND ASSOCIATES,
LLC**

By: _____
Name: _____
Title: _____

EXHIBIT F

FORM OF UNDERWRITERS' COUNSEL OPINION

[Date of Closing]

FMSBonds, Inc.
North Miami Beach, Florida

MBS Capital Markets, LLC
Tampa, Florida

**MEDITERRA SOUTH COMMUNITY DEVELOPMENT DISTRICT
(Collier County, Florida)**

**[\$[Bond Amount]
Capital Improvement Revenue Refunding Bonds,
Series 2013**

Ladies and Gentlemen:

In connection with the issuance of the above-captioned obligations (the "Bonds") which are today being delivered to you by Mediterra South Community Development District (the "Issuer"), we have acted as Underwriters' Counsel to you in connection with the preparation of the Limited Offering Memorandum dated [BPA Date] (the "Limited Offering Memorandum"). In such capacity, we have reviewed such proceedings, records, certificates, documents and questions of law as we have considered necessary to enable us to render this opinion.

To the extent that the opinions expressed herein relate to or are dependent upon the determination that the proceedings and actions relating to the authorization, execution, issuance and delivery of the Bonds are valid and binding obligations of the Issuer enforceable in accordance with their terms, and tax matters relating to the Bonds, we understand that you are relying upon the opinion delivered to you on the date hereof of Nabors, Giblin & Nickerson, P.A., Bond Counsel, and, with your permission, we have assumed the accuracy of such opinions and we have made no independent determination thereof.

In connection with the preparation of the Limited Offering Memorandum, we have generally reviewed information furnished to us by, and have participated in telephone conferences and meetings with representatives of the Issuer, counsel to the Issuer, Bond Counsel and others, in which such contents of the Limited Offering Memorandum and related matters were discussed. We have reviewed information concerning the District's audited financial statements and other materials we deemed relevant, including certificates of officials of the Issuer, written opinions of counsel to the Issuer, and upon certain other opinions, certificates and/or letters delivered in connection with the issuance of the Bonds.

To the extent that the opinions expressed herein relate to or are dependent upon the determination that the proceedings and actions relating to the authorization, issuance and sale of the Bonds are lawful and valid under the laws of the State of Florida, or that the Bonds are valid and legally binding obligations of the Issuer enforceable in accordance with their respective terms, or that interest in the Bonds is excludable from gross income of the owners of the Bonds for federal income tax purposes, we understand that you are relying upon the opinions delivered on the date hereof of Bond Counsel and Counsel to the Issuer, and no opinion is expressed herein as to such matters.

Although we do not express an opinion, and do not assume responsibility for, the accuracy, completeness or fairness of the statements contained in the Limited Offering Memorandum, solely based upon our review and discussions noted above, and in reliance upon the accuracy of the information contained in the aforementioned certificates and opinions, but without having undertaken any independent investigation of such information, nothing has come to our attention which leads us to believe that the Limited Offering Memorandum contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that we express no opinion regarding financial and other statistical data, included in the Limited Offering Memorandum, including but not limited to any appendices, schedules and exhibits thereto, or any information about The Depository Trust Company and its book-entry system of registration.

We are further of the opinion that it is not necessary in connection with the sale of the Bonds to register the Bonds under the Securities Act of 1933, as amended, or to qualify the Indenture under the Trust Indenture Act of 1939, as amended.

Further, we are of the opinion that the Continuing Disclosure Agreement executed by the Issuer and _____, as dissemination agent, dated [Date of Closing], satisfies the requirements of Section (b)(5)(i) of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") for an undertaking to provide certain annual financial information and event notices to Municipal Securities Rulemaking Board, as required by the Rule.

In rendering the foregoing opinions, we have assumed the due authorization, execution and delivery of the Continuing Disclosure Agreement by the Issuer, and that such agreements are valid and binding obligations of the Issuer, respectively, enforceable in accordance with their respective terms.

The opinions expressed herein are based upon existing law as of the date hereof and we express no opinion herein as of any subsequent date or with respect to any pending legislation. We assume no obligation to supplement this opinion if any applicable laws change after the date hereof or if we become aware of any facts that might change the opinions expressed herein after the date hereof. The opinions expressed herein represent professional judgment, and are not a guarantee of result.

The opinions expressed herein are limited to the laws of the State of Florida and the United States of America.

The opinions expressed herein are furnished by us as Underwriter's Counsel, and solely for the use of the addressee named above, and those opinions shall not extend to, and may not be relied upon by, any other persons, firms, or corporations without our prior written approval. The opinions expressed herein are limited to the matters set forth herein, and to the documents referred to herein and do not extend to any other agreements, documents or instruments executed by the Issuer, and no other opinion should be inferred beyond the matters expressly stated herein.

Respectfully submitted,

NABORS, GIBLIN & NICKERSON P.A.

Exhibit C

Preliminary Official Statement Dated April, 2013

NEW ISSUE - BOOK-ENTRY ONLY

NOT RATED

In the opinion of Akerman Senterfitt, Bond Counsel, under existing statutes, regulations, published rulings and court decisions and assuming continuing compliance with certain covenants and the accuracy of certain representations, (a) interest on the Series 2013 Bonds will be excludable from gross income for federal income tax purposes, (b) interest on the Series 2013 Bonds will not be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, (c) interest on the Series 2013 Bonds will be taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations, and (d) the Series 2013 Bonds and the income thereon will not be subject to taxation under the laws of the State of Florida, except estate taxes and taxes under Chapter 220, Florida Statutes, as amended, on interest, income or profits on debt obligations owned by corporations as defined therein. For a more complete discussion of the tax aspects, see "TAX MATTERS." . See "BONDOWNERS' RISKS" and "THE DISTRICT - IRS Examination of Village Center CDD and Related Matters" herein for a description of certain recent developments regarding special district financings.

**MEDITERRA SOUTH COMMUNITY DEVELOPMENT DISTRICT
(Collier County, Florida)**

**[\$Bond Amount]*
Capital Improvement Revenue Refunding Bonds,
Series 2013**

Dated: Date of delivery

Due: May 1, as shown on the inside cover

The \$[Bond Amount]* Mediterra South Community Development District Capital Improvement Revenue Refunding Bonds, Series 2013 (the "Series 2013 Bonds") are being issued by Mediterra South Community Development District (the "District") pursuant to a Master Trust Indenture dated as of December 1, 1999 (the "Master Indenture") from the District to U.S. Bank National Association, as successor in trust to First Union National Bank, as trustee (the "Trustee"), as supplemented by a Fifth Supplemental Trust Indenture dated as of May 1, 2013, from the District to the Trustee (the "Fifth Supplement" and, together with the Master Indenture, the "Indenture"). The Series 2013 Bonds are being issued only in fully registered form, in denominations of \$5,000 or any integral multiple thereof. The District was created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended, the Florida Constitution, and other applicable provisions of law (collectively, the "Act") and an Ordinance enacted by the Board of County Commissioners of Collier County, Florida effective on September 14, 1999, as amended and supplemented. The Series 2013 Bonds are payable from and secured by the Series 2013 Trust Estate, which includes the Series 2013 Pledged Revenues. The Series 2013 Pledged Revenues consist of the revenues derived by the District from non ad-valorem special assessments levied against certain lands in the Mediterra development that are subject to assessment as a result of the Series 2003 Project (hereinafter defined). See "SECURITY FOR AND SOURCE OF PAYMENT OF SERIES 2013 BONDS" and "THE SERIES 2013 ASSESSMENT AREA."

The Series 2013 Bonds, when issued, will be registered in the name of Cede & Co., as the owner and nominee for The Depository Trust Company ("DTC"), New York, New York. Purchases of beneficial interests in the Series 2013 Bonds will be made in book-entry only form. Accordingly, principal of and interest on the Series 2013 Bonds will be paid from the sources provided below by the Trustee directly to Cede & Co. as the nominee of DTC and the registered owner thereof. Disbursements of such payments to the DTC Participants is the responsibility of DTC and disbursements of such payments to the beneficial owners is the responsibility of DTC Participants and the Indirect Participants, as more fully described herein. Any purchaser as a beneficial owner of a Series 2013 Bond must maintain an account with a broker or dealer who is, or acts through, a DTC Participant to receive payment of the principal of and interest on such Series 2013 Bond. See "DESCRIPTION OF THE SERIES 2013 BONDS - Book-Entry Only System" herein. The Series 2013 Bonds will bear interest at the fixed rates set forth herein, calculated on the basis of a 360-day year comprised of twelve thirty-day months. Interest on the Series 2013 Bonds is payable semi-annually on each May 1 and November 1, commencing November 1, 2013.

Some or all of the Series 2013 Bonds are subject to optional, mandatory and extraordinary mandatory redemption at the times, in the amounts and at the redemption prices as more fully described herein.

The Series 2013 Bonds are being issued to: (i) refund and redeem all of the Outstanding principal amount of the District's \$5,035,000 Capital Improvement Revenue Bonds, Series 2003A (the "Series 2003A Bonds"), Outstanding on date of delivery of the Series 2013 Bonds in the principal amount of \$[OPA]; (ii) pay certain costs associated with the issuance of the Series 2013 Bonds; and (iii) make a deposit into the Series 2013 Reserve Account for the benefit of all of the Series 2013 Bonds.

THE SERIES 2013 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY OUT OF THE SERIES 2013 TRUST ESTATE PLEDGED THEREFOR UNDER THE SERIES 2013 INDENTURE AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE DISTRICT, THE CITY OF BONITA SPRINGS, FLORIDA, COLLIER COUNTY, FLORIDA, THE STATE OF FLORIDA, NOR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE SERIES 2013 BONDS, EXCEPT THAT THE DISTRICT IS OBLIGATED UNDER THE INDENTURE TO LEVY AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION, ASSESSMENTS (AS DEFINED HEREIN) TO SECURE AND PAY THE SERIES 2013 BONDS. THE SERIES 2013 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE DISTRICT, THE CITY OF BONITA SPRINGS, COLLIER COUNTY, FLORIDA, THE STATE OF FLORIDA, NOR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION.

THE SERIES 2013 BONDS INVOLVE A DEGREE OF RISK (SEE "BONDOWNERS' RISKS" HEREIN) AND ARE NOT SUITABLE FOR ALL INVESTORS (SEE "SUITABILITY FOR INVESTMENT," "BONDOWNERS' RISKS" AND "RATING" HEREIN). THE UNDERWRITERS ARE LIMITING THIS OFFERING OF THE SERIES 2013 BONDS TO ACCREDITED INVESTORS WITHIN THE MEANING OF THE RULES OF THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES; THE LIMITATION OF THE INITIAL OFFERING OF SERIES 2013 BONDS TO ACCREDITED INVESTORS DOES NOT DENOTE RESTRICTIONS OF TRANSFER IN ANY SECONDARY MARKET FOR THE SERIES 2013 BONDS. THE SERIES 2013 BONDS ARE NOT CREDIT ENHANCED, THE SERIES 2013 BONDS ARE NOT RATED AND NO APPLICATION HAS BEEN MADE FOR A RATING WITH RESPECT TO THE SERIES 2013 BONDS, NOR IS THERE ANY REASON TO BELIEVE THAT THE DISTRICT WOULD HAVE BEEN SUCCESSFUL IN OBTAINING EITHER CREDIT ENHANCEMENT FOR THE SERIES 2013 BONDS OR A RATING FOR THE SERIES 2013 BONDS HAD APPLICATION BEEN MADE.

For the reasons more fully described herein under "BONDOWNERS' RISKS" and "THE DISTRICT - IRS Examination of Village Center CDD and Related Matters," there is a risk that the District may be determined, either by the Internal Revenue Service (the "IRS"), judicially or otherwise, not to be a political subdivision for purposes of the Internal Revenue Code of 1986, as amended (the "Code") and, correspondingly, that the IRS will make an adverse determination with respect to the tax-exempt status of interest on the Series 2013 Bonds. See "BONDOWNERS' RISKS" and "THE DISTRICT - IRS Examination of Village Center CDD and Related Matters" herein.

This cover page contains information for quick reference only. It is not a summary of the Series 2013 Bonds. Investors must read the entire Limited Offering Memorandum to obtain information essential to the making of an informed investment decision.

The Series 2013 Bonds are offered for delivery when, as and if issued by the District and accepted by MBS Capital Markets, LLC and FMSbonds, Inc., the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and the receipt of the opinion of Akerman Senterfitt, Orlando, Florida, Bond Counsel, as to the validity of the Series 2013 Bonds and the excludability of interest thereon from gross income for federal income tax purposes. Certain legal matters will be passed upon for the Districts by their counsel, Hopping Green & Sams, P.A., Tallahassee, Florida, for the Trustee by its counsel, Holland & Knight LLP, Miami, Florida and for the Underwriters by their counsel, Nabors, Giblin & Nickerson, P.A., Tampa, Florida. It is expected that the Series 2013 Bonds will be available for delivery through the facilities of The Depository Trust Company in New York, New York on or about May , 2013.

FMSBONDS, INC.

MBS CAPITAL MARKETS, LLC

Dated: April , 2013

**MATURITIES, AMOUNTS, INTEREST RATES, YIELDS AND INITIAL CUSIP
NUMBERS***

**[\$[Bond Amount]*
Capital Improvement Revenue Refunding Bonds,
Series 2013**

\$ Serial Series 2013 Bonds

<u>Maturity (May 1)</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Initial CUSIP No.</u>
2013				
2014				
2015				
2016				
2017				
2018				
2019				
2020				
2021				
2022				
2023				

\$ % Term Series 2013 Bond Due May 1, - Yield: % - CUSIP No.

* Preliminary, subject to change.

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

MEDITERRA SOUTH COMMUNITY DEVELOPMENT DISTRICT

BOARD OF SUPERVISORS

Kenneth Nails, Chair
Frank H. Godshall, Vice Chair
Dallas Luby, Assistant Secretary
Bill Rowe, Assistant Secretary
Kenneth J. Tarr, Assistant Secretary

DISTRICT MANAGER AND ASSESSMENT CONSULTANT

Wrathell, Hunt and Associates, LLC
Bonita Springs, Florida

DISTRICT COUNSEL

Hopping Green & Sams, P.A.
Tallahassee, Florida

BOND COUNSEL

Akerman Senterfitt, P.A.
Orlando, Florida

COUNSEL TO THE UNDERWRITERS

Nabors, Giblin & Nickerson, P.A.
Tampa, Florida

REGARDING USE OF THIS LIMITED OFFERING MEMORANDUM

No dealer, broker, salesman or other person has been authorized by the District, the State of Florida or the Underwriter to give any information or to make any representations other than those contained in this Limited Offering Memorandum, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Limited Offering Memorandum does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2013 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the District, the District Manager, and other sources that are believed by the Underwriter to be reliable. The Underwriters have reviewed the information in this Limited Offering Memorandum in accordance with and, as part of their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guaranty the accuracy or completeness of such information. The District and the Assessment Consultant will, at closing, deliver certificates certifying that certain of the information each supplied does not contain any untrue statement of a material fact or omit to state a material fact required to be stated herein or necessary to make the statements herein, in light of the circumstances under which they were made, not misleading. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Limited Offering Memorandum nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change with respect to the matters described herein since the date hereof.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2013 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE SERIES 2013 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 2013 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 BY SUCH JURISDICTIONS. NEITHER THE DISTRICT, COLLIER COUNTY, FLORIDA, THE STATE OF FLORIDA NOR ANY OTHER POLITICAL SUBDIVISION OR AGENCY THEREOF HAS GUARANTEED OR PASSED UPON THE MERITS OF THE SERIES 2013 BONDS OR UPON THE PROBABILITY OF ANY EARNINGS THEREON. COLLIER COUNTY, FLORIDA, THE STATE OF FLORIDA, NOR ANY OTHER POLITICAL SUBDIVISION THEREOF HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS LIMITED OFFERING MEMORANDUM.

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APPENDIX E –	FORM OF CONTINUING DISCLOSURE AGREEMENT

LIMITED OFFERING MEMORANDUM

relating to

**MEDITERRA SOUTH COMMUNITY DEVELOPMENT DISTRICT
\$[Bond Amount]*
Capital Improvement Revenue Refunding
Bonds
Series 2013**

INTRODUCTION

The purpose of this Limited Offering Memorandum, including the cover page and appendices hereto, is to set forth certain information concerning Mediterra South Community Development District (the “District” or the “Issuer”), in connection with the offering and issuance of its Mediterra South Community Development District Capital Improvement Revenue Refunding Bonds, Series 2013 (the “Series 2013 Bonds”). The District was created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended, the Florida Constitution, and other applicable provisions of law (collectively, the “Act”) and an Ordinance enacted by the Board of County Commissioner of Collier County, Florida effective on September 14, 1999, as amended and supplemented (the “Ordinance”). The District was established for the purposes, among other things, of financing and managing the planning, acquisition, construction, maintenance and operation of the infrastructure necessary for community development in Mediterra (the “Development”). The Series 2013 Bonds are being issued pursuant to the Act and a Master Trust Indenture, dated as of December 1, 1999 (the “Master Indenture”), from the District to U.S. Bank National Association, as successor in trust to First Union National Bank, as trustee (the “Trustee”), as supplemented by a Fifth Supplemental Trust Indenture, dated as of May 1, 2013 (the “Fifth Supplement” and, together with the Master Indenture, the “Indenture”) and resolutions of the District authorizing the issuance of the Series 2013 Bonds. All capitalized terms used in this Limited Offering Memorandum that are defined in the Indenture and not defined herein shall have the respective meanings set forth in the copy of the Master Indenture or the form of the Fifth Supplement, both of which appear as composite APPENDIX C attached hereto.

THE SERIES 2013 BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS (SEE “SUITABILITY FOR INVESTMENT,” “BONDOWNERS’ RISKS” AND “RATING” HEREIN).

THE SERIES 2013 BONDS ARE NOT CREDIT ENHANCED. PROSPECTIVE INVESTORS IN THE SERIES 2013 BONDS ARE INVITED TO VISIT THE DISTRICT AND TO REQUEST FROM THE DISTRICT DOCUMENTS, INSTRUMENTS AND INFORMATION WHICH MAY NOT NECESSARILY BE REFERRED TO, SUMMARIZED OR DESCRIBED HEREIN. THEREFORE, PROSPECTIVE INVESTORS SHOULD RELY UPON THE INFORMATION APPEARING IN THIS LIMITED OFFERING MEMORANDUM WITHIN THE CONTEXT OF THE AVAILABILITY OF SUCH ADDITIONAL INFORMATION AND THE SOURCES THEREOF. PROSPECTIVE INVESTORS MAY REQUEST SUCH ADDITIONAL INFORMATION AND ARRANGE TO VISIT THE DISTRICT AS DESCRIBED HEREIN UNDER THE CAPTION “SUITABILITY FOR INVESTMENT.”

The Act authorizes the District to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing or reconstructing, enlarging or extending, equipping, operating and maintaining water management, water supply, sewer and wastewater management, bridges or culverts, district roads, street lights and other basic infrastructure projects within or without the boundaries of the District, as provided in the Act.

The Series 2013 Bonds are being issued to: (i) refund and redeem all of the Outstanding principal amount of the District's \$5,035,000 Capital Improvement Revenue Bonds, Series 2003A (the "Series 2003A Bonds"), Outstanding on date of delivery of the Series 2013 Bonds in the principal amount of \$[OPA]; (ii) pay certain costs associated with the issuance of the Series 2013 Bonds; and (iii) make a deposit into the Series 2013 Reserve Account for the benefit of all of the Series 2013 Bonds. The Series 2003A Bonds were issued to finance used to finance a portion of the Cost of the construction, installation and equipping, both within and without the boundaries of the District, of portions of the third and final phase of the water management, utilities, wetland mitigation and land acquisition needed to serve Mediterra South, which is included within the development known as Mediterra (collectively, the "2003 Project"). The District also has Outstanding \$735,000 aggregate principal amount of its Capital Improvement Revenue Bonds, Series 2003B (the "Series 2003B Bonds"), which were issued, together with the Series 2003A Bonds under and pursuant to the Third Supplemental Indenture, dated as of May 1, 2003 (the "Third Supplemental Indenture"), from the District to the Trustee. The Owners of all of the Outstanding Series 2003B Bonds have consented to the release of the lien of the Third Supplemental Indenture on the Series 2003A Assessments and the refunding of the Series 2003A Bonds; however, even though the Series 2003B Bonds will not rank on a parity with the Series 2013 Bonds, the Assessments in respect of the Series 2003B Bonds and the Series 2013 Bonds will be on certain of the same tax parcels and accordingly, the lien of the Series 2013 Assessments and the Series 2003B Assessments will statutorily be co-equal one with the other and with the lien for County, municipal and school board taxes and assessments and any additional assessments imposed by the District including operation and maintenance assessments. The Series 2003B Bonds mature on May 1, 2015 unless sooner redeemed. It is anticipated, though not required, that the Series 2003B Assessment attributable to each tax parcel will be prepaid as such tax parcel is sold to an end user.

The Series 2013 Bonds are payable from and secured by the revenues derived by the District from the Series 2013 Assessments and by the Funds and Accounts (except for the Series 2013 Rebate Account) established by the Fifth Supplement. The Indenture provides that, so long as there are Series 2013 Bonds Outstanding, the District shall not cause or permit to be caused any other lien, charge or claim against the Series 2013 Trust Estate.

There follows in this Limited Offering Memorandum a brief description of the District and the Series 2013 Assessment Area, together with summaries of the terms of the Indenture and certain provisions of the Act. All references herein to the Indenture and the Act are qualified in their entirety by reference to such documents and all references to the Series 2013 Bonds are qualified by reference to the definitive form thereof and the information with respect thereto contained in the Indenture. A copy of the Master Indenture and the form of the Fifth Supplement are attached hereto as composite APPENDIX C. This Limited Offering Memorandum, is not, and shall not be deemed to constitute, an offer to sell, or the solicitation of an offer to buy, real estate, which may only be made pursuant to offering documents satisfying applicable federal and state laws relating to the offer and sale of real estate.

SUITABILITY FOR INVESTMENT

Investment in the Series 2013 Bonds poses certain economic risks. No dealer, broker, salesman or other person has been authorized by the District or the Underwriter to give any information or make any representations, other than those contained in this Limited Offering Memorandum. Additional information will be made available to each prospective investor, including the benefit of a site visit to the District, and the opportunity to ask questions of the District, as such prospective investor deems necessary in order to make an informed decision with respect to the purchase of the Series 2013 Bonds. Prospective investors are encouraged to request such additional information, visit the District and ask such questions. Such requests should be directed to:

Jon Kessler
FMS Bonds, Inc.
Director
20660 W. Dixie Highway
North Miami Beach, Florida 33180
Phone: 305.692.4124

While the Series 2013 Bonds are not subject to registration under the Securities Act of 1933, as amended (the "Securities Act"), the Underwriters have determined that the Series 2013 Bonds are not suitable for investment by persons other than, and, as required by Chapter 189, Florida Statutes, will offer the Series 2013 Bonds only to "accredited investors," as defined in Chapter 517, Florida Statutes, and the rules promulgated thereunder by the Office of Financial Regulation of the Financial Services Commission; however, the limitation of the initial offering to accredited investors does not denote restrictions on transfer in any secondary market for the Series 2013 Bonds. Prospective investors in the Series 2013 Bonds should have such knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of an investment in the Series 2013 Bonds and should have the ability to bear the economic risks of such prospective investment, including a complete loss of such investment.

THE DISTRICT

General

The District was established pursuant to the Ordinance. The District consists of approximately 1,154 acres located in Collier County, Florida (the "County").

Legal Powers and Authority

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

The Act provides that community development districts have the power to issue general obligation, revenue and special assessment revenue debt obligations in any combination to pay all or part of the cost of infrastructure improvements authorized under the Act. The Act further provides that community development districts have the power under certain conditions to levy and assess ad valorem assessments or non-ad valorem assessments, including the Series 2013 Assessments, on all taxable real and tangible personal property within their boundaries to pay the principal of and interest on debt obligations issued and to provide for any sinking or other funds established in connection with any such debt obligation issues. Pursuant to the Act, such assessments may be assessed, levied, collected and enforced in the same manner and time as county property taxes.

Among other provisions, the Act gives the District's Board of Supervisors the authority to (a) finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate and maintain systems and facilities for: (i) water management and control for lands within the District and to connect any of such facilities with roads and bridges; (ii) water supply, sewer and wastewater management reclamation and re-use systems or any combination thereof and to

construct and operate connecting 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 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 assessment 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 authorized by the Act.

The Act does not empower the District to adopt and enforce land use plans or zoning ordinances, and the Act does not empower the District to grant building permits. These functions are performed by the County and its departments of government.

The Act exempts all property of the District from levy and sale by virtue of an execution and from judgment liens, but does not limit the right of any owner of bonds of the District to pursue any remedy for enforcement of any lien or pledge of the District in connection with such bonds, including the Series 2013 Bonds.

Board of Supervisors

The governing body of the District is its Board of Supervisors (the “Board”), which is composed of five Supervisors (the “Supervisors”). Ownership of the land within the District initially entitled the owner to elect Supervisors to the Board based on a one vote per acre basis (with fractions thereof rounded upward to the nearest whole number). Upon the later of six (6) years after the initial appointment of Supervisors or the year in which there are at least 250 qualified electors in the District, or such earlier time as the Board may decide to exercise its ad valorem taxing power, the Supervisors are elected (as their terms expire) by vote of the qualified electors of the District. A qualified elector is a registered voter, a resident of the District and the State of Florida and a citizen of the United States. At the election where Supervisors were first elected by qualified electors, which occurred in November 2008, two Supervisors, who were qualified electors, were elected by qualified electors. Currently, all Supervisors are qualified electors elected or appointed to serve staggered four-year terms. If there is a vacancy on the Board, the remaining Board members are to fill such vacancy for the unexpired term. Three of the current Supervisors were elected by qualified electors in November 2008, one Supervisor was appointed by the Board to fill a vacancy on the Board and one Supervisor was elected by landowner’s election. The current members of the Board and their respective term commencement and expiration dates are set forth below.

<u>Name</u>	<u>Title</u>	<u>Current Term Commenced</u>	<u>Term Expires</u>
Kenneth Nails	Chair	Nov. 2012	Nov. 2016
Dallas Luby	Vice Chair	Nov. 2010	Nov. 2014
Michael J. Bishko	Assistant Secretary	Nov. 2012	Nov. 2016
Bill Rowe	Assistant Secretary	Dec. 2012	Nov. 2016
Kenneth J. Tarr	Assistant Secretary	Feb. 2011	Nov. 2014

The Act empowers the Board of Supervisors to adopt administrative rules and regulations with respect to any projects of the District, and to enforce penalties for the violation of such rules and regulations. The Act permits the Board of Supervisors to levy taxes under certain conditions, and to levy special assessments, and to charge, collect and enforce fees and user charges for use of District facilities.

District Manager and Other Consultants

The Act authorizes the Board to hire a District Manager as the chief administrative official of the District. The Act provides that the District Manager shall have charge and supervision of the works of the District and shall be responsible for (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.

The District has hired Wrathell, Hunt and Associates, LLC (the "District Manager") to serve as District Manager. The District Manager's office is located at 6131 Lyons Road, Suite 100, Coconut Creek, Florida 33073, phone (954) 426-2105.

The District Manager's typical responsibilities can briefly be summarized as overseeing directly and coordinating the planning, financing, purchasing, staffing, reporting and governmental liaison for the District. The District Manager's responsibilities include requisitioning moneys to pay construction contracts and the related accounting and reporting that is required by the Indentures

The Act further authorizes the Board to hire such employees and agents as it deems necessary. Thus, the District has employed the services of Akerman Senterfitt, Orlando, Florida, as Bond Counsel; Hopping Green & Sams, P.A., Tallahassee, Florida, as District Counsel; and District Manager, as Special Assessment Consultant to prepare the Supplemental Special Assessment Methodology Report for the Series 2013 Bonds.

Outstanding Bonds

The District has previously issued its Series 2003A Bonds and its Series 2003B Bonds under and pursuant to the Master Indenture and a Third Supplemental Trust Indenture dated as of May 1, 2003 (together with the Master Indenture, the "2003 Indenture"), from the District to the Trustee, with respect to which, \$[OPA] Series 2003A Bonds will be Outstanding on the date of delivery of the Series 2013 Bonds and which will be refunded with proceeds of the Series 2013 Bonds. The District also has Outstanding \$735,000 aggregate principal amount of its Series 2003B Bonds. The Owners of all of the Outstanding Series 2003B Bonds have consented to the release of the lien of the Third Supplemental Indenture on the Series 2003A Assessments and the refunding of the Series 2003A Bonds; however, even though the Series 2003B Bonds will not rank on a parity with the Series 2013 Bonds, the Assessments in respect of the Series 2003B Bonds and the Series 2013 Bonds will be on certain of the same tax parcels and accordingly, the lien of the Series 2013 Assessments and the Series 2003B Assessments will statutorily be co-equal one with the other and with the lien for County, municipal and school board taxes and assessments and any additional assessments imposed by the District including operation and maintenance assessments. The Series 2003B Bonds mature on May 1, 2015 unless sooner redeemed. It is anticipated, though not required, that the Series 2003B Assessment attributable to each tax parcel will be prepaid as such tax parcel is sold to an end user. The District has also issued its \$13,455,000 Mediterra South Community Development District Capital Improvement Revenue Refunding Bonds, Series 2012 under and pursuant to the terms of the Master Indenture as amended and supplemented by a Fourth Supplemental Indenture, dated as of May 1, 2012, from the District to the Trustee, but which are currently Outstanding in the amount of [2012 Amount] but which are secured by Special Assessments on property not subject to the lien of the Series 2013 Assessments.

IRS Examination of Village Center CDD and Related Matters

The IRS is examining at least two series of bonds (for purposes of this subsection, the "Audited Bonds") issued by Village Center Community Development District ("Village Center"). On October 31, 2012, Village Center posted an "Event Notice" on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access website ("EMMA") indicating that the Office of Chief

Counsel ("Chief Counsel") of the IRS has advised Village Center, through verbal communication, that the Chief Counsel has tentatively concluded that Village Center is not a political subdivision for purposes of Section 103(a) of the Code because a controlling portion of the governing board of Village Center at the time it issued the Audited Bonds was elected by one property owner. Such a conclusion would lead to the further conclusion that the interest on the Audited Bonds was not excludable from gross income of the owners of such bonds for federal income tax purposes, retroactive to the date of issuance of the Audited Bonds. It is not possible to predict when the IRS's examinations of the Village Center Audited Bonds will be concluded or the outcome of the examinations.

While it is possible that the formal conclusion of the IRS with respect to the Audited Bonds, if and when released, will be in the form of a non-precedential technical advice memorandum ("TAM") addressed to, and binding only on, the IRS and Village Center in connection with the Audited Bonds, if the Chief Counsel officially takes the position in written advice that a community development district is not a political subdivision if it is controlled by a single landowner, the IRS may commence additional audits of bonds issued by other community development districts on the same basis (i.e., that at the time the bonds were issued, the governing body of the community development district was elected by one property owner) and may conclude that other community development districts are not political subdivisions for purposes of Section 103(a) of the Code because a controlling portion of the governing board of the community development district, at the time it issued the audited bonds, was elected by one property owner.

If the Series 2013 Bonds were audited, there is a risk that the IRS could determine that interest on the Series 2013 Bonds is not excludable from gross income for the reasons stated above. The District could settle an audit of the Series 2013 Bonds in which the IRS determined the interest on the Series 2013 Bonds was not excludable from gross income on this basis or the District could file an administrative appeal with the IRS; however, the District may not have available revenues to contest such determination or to enable it to enter into a voluntary financial settlement with the IRS. If the District were to lose such an appeal, the interest on the Series 2013 Bonds would be declared subject to inclusion in gross income of the holders thereof from the issue date of the Series 2013 Bonds (unless the District entered into a settlement with the IRS). In the event of an adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2013 Bonds, the District may not have available revenues to contest such determination or to enable it to enter into a voluntary financial settlement with the IRS. In the event IRS determines in an audit that the interest on the Series 2013 Bonds is not excludable from gross income for the reasons stated above, unless an Owner of the Series 2013 Bonds refuses to pay tax on the interest it receives or pays such tax and sues the IRS for a refund, there is no procedural avenue to bring the IRS determination to a court for review and, consequently, the ability of an Owner of the Series 2013 Bonds to seek relief from a court is limited.

As stated above, it is not possible to predict when the IRS's examinations of the Village Center Audited Bonds will be concluded or the outcome of the examinations.

Based on various reports published in the press and other sources, including a letter dated October 16, 2012 from the National Association of Bond Lawyers addressed to the IRS, it is possible that the IRS may be considering asserting that a special district such as the District will not be treated as a political subdivision for purposes of Section 103(a) of the Code if a controlling portion of the governing board of said entity is elected by one or a small number of landowners. When the Refunded Bonds were approved and issued to finance the Series 2003 Project, the majority of the Supervisors on the Board of the District were elected by the landowners. Currently, all of the Supervisors are qualified electors either elected or appointed to serve on the Board.

In light of the foregoing and for the reasons more fully described herein under "BONDOWNERS' RISKS", there is a risk that the District may be determined, either by the IRS,

judicially or otherwise, not to be a political subdivision for purposes of the Internal Revenue Code of 1986, as amended (the "Code") and, correspondingly, that the IRS will make an adverse determination with respect to the tax-exempt status of interest on the Series 2013 Bonds.

PLAN OF REFUNDING

The Series 2003A Bonds were issued for the purpose of funding the 2003 Project (as defined herein). To effect the refunding of the Series 2003A Bonds, the District will enter into an escrow deposit agreement (the "Escrow Agreement") with U.S. Bank National Association, as escrow agent (in such capacity, the "Escrow Agent"). Pursuant to the terms of the Escrow Agreement, the District will deposit with the Escrow Agent a portion of the proceeds of the Series 2013 Bonds and other available moneys to refund the Series 2003A Bonds. Such proceeds and other available moneys may be held uninvested by the Escrow Agent until applied to redeem the Series 2003A Bonds on [Redemption Date]. Upon execution and delivery of the Escrow Agreement and the deposit of such proceeds and other available moneys into the Escrow Deposit Trust Fund, all as provided in the Escrow Agreement, in the opinion of Bond Counsel, rendered in reliance on the report of Causey Demgen & Moore Inc. (see "VERIFICATION OF MATHEMATICAL COMPUTATIONS" herein), the Series 2003A Bonds will no longer be deemed Outstanding pursuant to the 2003 Indenture.

The moneys held pursuant to the Escrow Agreement will not be available to pay debt service on the Series 2013 Bonds.

THE SERIES 2013 ASSESSMENT AREA

The information in this section "THE SERIES 2013 ASSESSMENT AREA" has been furnished by the District for inclusion in this Limited Offering Memorandum and, although believed to be reliable, such information has not been independently verified by the Underwriters or their counsel, and no person other than the District makes any representation or warranty as to the accuracy or completeness of such information supplied by them.

General

Mediterra (the "Development") is a 1,675-acre master planned residential community located in southwest Florida, spanning Collier and Lee Counties. Mediterra is located on Livingston Road approximately one mile south of Bonita Beach Road, approximately 7 miles north of the City of Naples, 25 miles south of the City of Fort Myers and 16 miles southwest of the Southwest Florida International Airport. The District encompasses approximately 1,154 acres in Collier County and includes twenty-seven holes of golf, the supporting clubhouse/recreational facilities and approximately 667 residential units. Bonita Bay Properties, Inc., the original developer of the property, marketed the Development to affluent buyers predominantly from the midwest and northeast seeking seasonal vacation homes. The focal point of the Development is the Club Facilities which includes the following amenities:

- Two 18-hole golf courses designed by Tom Fazio with a practice area with 3 greens, a putting green and maintenance facility.
- A 2-story 26,046 square feet clubhouse which includes 2 restaurants/dining rooms; a lounge with full bar and terrace, a private dining room, locker rooms, a pro shop and an executive board room.
- A 1-story 13,888 square feet sport club facility which includes exercise rooms, locker rooms, a tennis pro shop, spa rooms, sauna, an enrichment center and other related facilities. Adjacent to the sports club facility are tennis courts.

- Beach club facility (located off-site).

The Club Facilities were purchased in 2010 by New Club at Mediterra, Inc., an entity comprised of Mediterra residents/club members.

For additional information regarding the Mediterra development, please visit its website at www.mediterralliving.com.

Series 2013 Assessment Area Data

The Series 2003 Assessments securing the Series 2013 Bonds are levied in an area of the Development that is located east of Livingston Road and contains 196 assessable units. At buildout, the Series 2013 Assessment Area is expected to contain: 50 single family units, 110 villa units and 36 coach home units. Based upon information obtained from the Property Appraiser for Collier County, there are approximately 84 constructed residential units in the Series 2013 Assessment Area including: 34 single family units and 50 villa units. Additionally, within the Series 2013 Assessment Area are approximately 60 developed and platted villa lots, 16 single family developed and platted lots and 36 partially developed unplatted coach home lots. 9 single family lots, the 60 villa lots and the coach home lots are owned by three affiliated entities of London Bay Homes, LB Mediterra, LLC, Lucarno 2 LLC and SD Mediterra LLC. Seven single family lots are owned by individuals.

Based upon information obtained from the Property Appraiser for Collier County, the total assessed value for all assessable parcels located in the Series 2013 Assessment Area is \$82,598,292. The following table provides a summary of the average assessed values by product type and estimated average value to lien ratios following the issuance of the Series 2013 Bonds based upon assessed value information obtained from the Property Appraiser for Collier County.

<u>Product Type</u>	<u>Assessable Units</u>	<u>Total Assessed Value</u>	<u>Average Assessed Value Per Unit</u>	<u>Assessment Principal</u>			<u>Average Value To Lien</u>
				<u>2003A Par/Unit</u>	<u>2003B Par/Unit</u>	<u>Total</u>	
Single Family -- Vertical	34	\$37,440,324	\$1,101,186	\$33,789	NA	\$33,789	32.6
Single Family -- Non Vertical	16	\$985,250	\$61,578	\$33,789	NA	\$33,789	1.8
Villas -- Vertical	50	\$40,261,468	\$805,229	\$16,894	NA	\$16,894	47.7
Villas -- Non Vertical (1)	60	\$3,596,250	\$59,938	\$16,894	\$45,938	\$62,832	0.95
Coach Homes - Non Vertical	<u>36</u>	<u>\$315,000</u>	\$8,750	\$14,783	NA	\$14,783	0.6
	196	\$82,598,292					

(1) 15 of the Villa lots are subject to the Series 2003B Bonds.

As a result of the refunding of the Refunded Bonds, the annual debt service and corresponding principal assessments in the Series 2013 Assessment Area will decrease. The table below illustrates the estimated annual and corresponding principal Series 2013 Assessments following the issuance of the Series 2013 Bonds which information is subject to change based upon the final pricing of the Series 2013 Bonds.

<u>Product Type</u>	<u>Number of Units</u>	<u>2003 Bonds</u>		<u>Proposed Bonds</u>		<u>Savings Annual Per Unit</u>		<u>Par Per Unit</u>
		<u>Annual Per Unit Net Debt Service</u>	<u>Par Per Unit</u>	<u>Annual Per Unit Net Debt Service</u>	<u>Par Per Unit</u>	<u>In Dollars</u>	<u>Percentage</u>	
Single Family	50	2,932	33,788.81	2,598.73	33,788.81	332.95	11.357%	0
Villas	110	1,466	16,894.41	1,299.36	16,894.41	166.48	11.357%	0
Coach Homes	<u>36</u>	1,283	14,782.62	1,136.94	14,782.62	145.67	11.357%	0
Total	196							

In addition to the annual debt service assessments, each residential unit in the Series 2013 Assessment Area pays an annual operation and maintenance assessment to the District. Such annual amount is approximately \$505 based upon the District's adopted budget for fiscal year 2012. Each residential unit in the Series 2013 Assessment Area also pays property taxes assessed by the applicable taxing authorities. The current millage rate applicable to the District is 11.7341. Further, each residential unit in the District is subject to homeowners' association fees.

There have been no draws on the debt service reserve funds for the Refunded Bonds since their date of issuance. Historically, the District has collected in excess of 100% of the net amount required to pay debt service on the Refunded Bonds. This is due to the fact that landowners in the Series 2013 Assessment Area have not taken full advantage of the 4% discount allowed by Florida law for early payment of real estate taxes. The following table reflects historical collections for the last five full fiscal years for the Series 2013 Assessment Area.

	2008-9	2009-10	2010-11	2011-12	2012-13
Net Debt Levy	\$378,131	\$375,481	\$356,994	\$356,575	\$355,838
<i>Levied On Tax Roll</i>	<i>\$264,445</i>	<i>\$259,776</i>	<i>\$310,430</i>	<i>\$310,066</i>	<i>\$355,838</i>
<i>Levied Off Roll</i>	<i>\$113,686</i>	<i>\$115,705</i>	<i>\$46,564</i>	<i>\$46,509</i>	<i>\$0</i>
Collected on Roll as of May 1	\$221,051	\$256,129	\$286,698	\$300,264	
<i>% of Total On Roll Levy</i>	<i>84%</i>	<i>99%</i>	<i>92%</i>	<i>97%</i>	
Collected On Roll after May 1	\$48,255	\$11,586	\$38,064	\$17,693	
Total Collected On Roll	\$269,306	\$267,715	\$324,762	\$317,957	
% Collected On Roll	102%	103%	105%	103%	0%

** 100% of on roll assessments were collected on time.

The information appearing in the table below provides the delinquency history and the result of the sale of tax certificates for the District pertaining to the Series 2013 Assessment Area based upon information obtained from the Tax Collector for Collier County.

	<u>FY</u> <u>2007/08</u>	<u>FY</u> <u>2008/09</u>	<u>FY</u> <u>2009/10</u>	<u>FY</u> <u>2010/11</u>	<u>FY</u> <u>2011/12</u>
Mediterra South CDD					
Delinquencies as of May 1 (\$)	\$41,487	\$38,115	\$19,602	\$19,917	\$0
Delinquencies as of May 1 (%)	3.36%	3.01%	1.55%	1.53%	0.00%
Tax Certificates Sold	\$37,782	\$20,093	\$18,443	\$19,917	\$0
Balance Remaining for Sale	\$0	\$0	\$0	\$0	\$0

The historical collection results shown above should not be relied upon as a forecast of future collection results. Collection results are subject to various economic and market factors beyond the control of the respective district. See "BONDOWNERS' RISK," generally, paragraphs I and IV particularly.

All of the estimates set forth and discussed above are based upon the District's current knowledge and expectations, and upon currently-known economic conditions. The District does not, however, guarantee that actual results will be as projected; unforeseen events may occur and actual results may vary considerably from the projections.

DESCRIPTION OF THE SERIES 2013 BONDS

General Description

The Series 2013 Bonds are issuable as fully registered bonds, without coupons, in denominations of \$5,000 or any multiple thereof; provided, however that upon initial issuance the Series 2013 Bonds are offered in aggregate principal amounts of \$100,000 and integral multiples of \$5,000.

The Series 2013 Bonds will be dated their date of issuance and delivery to the initial purchasers thereof and will bear interest payable on each May 1 and November 1, commencing November 1, 2013 (each, an "Interest Payment Date") and shall be computed on the basis of a 360-day year of twelve 30-day months. The Series 2013 Bonds will mature on May 1 of such years, in such amounts and at such rates as set forth on the cover page of this Limited Offering Memorandum.

Interest on each Series 2013 Bond will be payable on each Interest Payment Date as heretofore described in any coin or currency of the United States of America which, at the date of payment thereof, is legal tender for the payment of public and private debts. Except as otherwise provided in the Supplemental Indenture in connection with a book entry only system of registration of the Series 2013 Bonds, the payment of interest on the Series 2013 Bonds shall be made on each Interest Payment Date to the Owners of the Series 2013 Bonds by check or draft drawn on the Paying Agent and mailed on the applicable Interest Payment Date to each Owner as such Owner appears on the Bond Register maintained by the Registrar as of the close of business on the Regular Record Date, at his address as it appears on the Bond Register. Any interest on any Series 2013 Bond which is payable, but is not punctually paid or provided for on any Interest Payment Date (hereinafter called "Defaulted Interest") shall be paid to the Owner in whose name the Series 2013 Bond is registered at the close of business on a Special Record Date to be fixed by the Trustee, such date to be not more than fifteen (15) nor less than ten (10) days prior to the date of proposed payment. The foregoing notwithstanding, any Owner of Series 2013 Bonds in an aggregate principal amount of at least \$1,000,000 shall be entitled to have interest paid by wire transfer to such Owner to the bank account number on file with the Paying Agent, upon requesting the same in a writing received by the Paying Agent at least fifteen (15) days prior to the relevant Interest Payment Date, which writing shall specify the bank, which shall be a bank within the continental United States, and bank account number to which interest payments are to be wired. Any such request for interest payments by wire transfer shall remain in effect until rescinded or changed, in a writing delivered by the Owner to the Paying Agent, and any such rescission or change of wire transfer instructions must be received by the Paying Agent at least fifteen (15) days prior to the relevant Interest Payment Date.

Each Series 2013 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 2013 Bond has been paid, in which event such Series 2013 Bond shall bear interest from its date of authentication; or (ii) is prior to the first Interest Payment Date for the Series 2013 Bonds, in which event, such Series 2013 Bond shall bear interest from its date.

The Series 2013 Bonds will initially be registered in the name of Cede & Co. as nominee for The Depository Trust Company ("DTC"), which will act initially as securities depository for the

Series 2013 Bonds and, so long as the Series 2013 Bonds are held in book-entry-only form, Cede & Co. will be considered the registered owner for all purposes hereof. See "Book-Entry Only System" below for more information about DTC and its book-entry only system.

Redemption Provisions

Optional Redemption of Series 2013 Bonds. The Series 2013 Bonds may, at the option of the District, be called for redemption prior to maturity as a whole or in part at any time on or after May 1, 2023 (less than all Series 2013 Bonds to be selected by lot), at a Redemption Price equal to the principal amount of the Series 2013 Bonds (or portion thereof to be redeemed) plus accrued interest from the most recent Interest Payment Date to the redemption date.

Mandatory Redemption in Part of Series 2013 Bonds. The Series 2013 Bonds which are Term Bonds maturing on May 1, 20[] are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2013 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments (as defined in the Master 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>Year (May 1)</u>	<u>Principal Amount</u>	<u>Year (May 1)</u>	<u>Principal Amount</u>
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*Final Maturity

The Series 2013 Bonds which are Term Bonds maturing on May 1, 2033 are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2013 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments (as defined in the Master 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>Year (May 1)</u>	<u>Principal Amount</u>	<u>Year (May 1)</u>	<u>Principal Amount</u>
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*Final Maturity

As more particularly set forth in the Master Indenture and Supplemental Indenture, any Series 2013 Bonds that are purchased by the District with amounts held to pay an Amortization Installment will be canceled and the principal amount so purchased will be applied as a credit against the applicable Amortization Installment of Series 2013 Bonds. Amortization Installments are also subject to recalculation, as provided in the Supplemental Indenture, as the result of the redemption of Series 2013 Bonds so as to reamortize the remaining Outstanding principal balance of the Series 2013 Bonds (including any Series 2013 Bonds which are Serial Bonds) over the remaining term thereof in substantially equal annual installments of principal and interest corresponding to the Series 2013 Assessments.

Extraordinary Mandatory Redemption in Whole or in Part of Series 2013 Bonds. The Series 2013 Bonds are subject to extraordinary mandatory redemption prior to maturity by the District, in whole or in part on any date, at an extraordinary mandatory redemption price equal to 100% of the principal amount of the Series 2013 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from amounts deposited into the Series 2013 Prepayment Subaccount of the Series 2013 Redemption Account in the Redemption Fund following the payment in whole or in part of Series 2013 Assessments in accordance with the provisions of the Second Supplemental Indenture; and

(ii) from moneys, if any, on deposit in the Series 2013 Reserve Account, together with other moneys available therefor, sufficient to pay and redeem all Series 2013 Bonds Outstanding and accrued interest thereon to the redemption date.

If less than all of the Series 2013 Bonds of any one maturity shall be called for redemption, the particular Series 2013 Bonds to be redeemed shall be selected by lot in such reasonable manner as the Bond Registrar in its discretion may determine. The portion of any Series 2013 Bonds to be redeemed shall be in an Authorized Denomination and, in selecting the Series 2013 Bonds to be redeemed, the Bond Registrar shall treat each such Series 2013 Bond as representing that number of Series 2013 Bonds which is obtained by dividing the principal amount of such Series 2013 Bond by an Authorized Denomination (such amount being hereafter referred to as the "unit of principal amount").

If it is determined that one or more, but not all, of the units of principal amount represented by any such Series 2013 Bond is to be called for redemption, then upon notice of intention to redeem such unit or units of principal amount as provided below, the registered Owner of such Series 2013 Bond, upon surrender of such Series 2013 Bond to the Paying Agent for payment to such registered Owner of the redemption price of the unit or units of principal amount called for redemption, shall be entitled to receive a new Series 2013 Bond or Bonds in the aggregate principal amount of the unredeemed balance of the principal amount of such Series 2013 Bond. New Series 2013 Bonds representing the unredeemed balance of the principal amount shall be issued to the Owner thereof without any charge therefor. If the Owner of any Series 2013 Bond of a denomination greater than the unit of principal amount to be redeemed shall fail to present such Series 2013 Bond to the Paying Agent for payment in exchange as aforesaid, such Series 2013 Bond shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the unit or units of principal amount called for redemption.

Notice of Redemption

Notice of each redemption of Series 2013 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 2013 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 2013 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 2013 Bonds or such portions thereof on such date, interest on such Series 2013 Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2013 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 2013 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.

Notwithstanding any other provision of the Indenture, notice of optional redemption may be conditioned upon the occurrence or non-occurrence of such event or events as shall be specified in such notice of optional redemption and may also be subject to rescission by the District if expressly set forth in such notice.

Failure to give notice by mailing to the Owner of any Series 2013 Bond designated for redemption or to any depository or information service shall not affect the validity of the proceedings for the redemption of any other Series 2013 Bond.

Book-Entry Only System

The information in this caption concerning The Depository Trust Company, New York, New York, ("DTC") and DTC's book-entry system has been obtained from DTC and neither the District nor the Underwriter makes any representation or warranty or takes any responsibility for the accuracy or completeness of such information.

DTC will act as securities depository for the Series 2013 Bonds. The Series 2013 Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of the Series 2013 Bonds and will be deposited with DTC. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants (the "Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the "Indirect Participants"). DTC has a Standard and Poor's rating of AA+. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2013 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for such Series 2013 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2013 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2013 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of the Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2013 Bonds, except in the event that use of the book-entry system for the Series 2013 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2013 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2013 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2013 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2013 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping an account of their holdings on behalf of their customers.

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

Redemption notices shall be sent to DTC. If less than all of the Series 2013 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such Series 2013 Bonds, as the case may be, to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2013 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2013 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2013 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the District or the Registrar on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Registrar or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District and/or the Paying Agent for the Series 2013 Bonds. Disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of the Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2013 Bonds at any time by giving reasonable notice to the District. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2013 Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2013 Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but takes no responsibility for the accuracy thereof.

NEITHER THE DISTRICT NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO THE DTC PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEE WITH RESPECT TO THE PAYMENTS TO OR THE PROVIDING OF NOTICE FOR THE DTC PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS OF THE SERIES 2013 BONDS. THE DISTRICT CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, THE DTC PARTICIPANTS OR OTHERS WILL DISTRIBUTE PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE SERIES 2013 BONDS PAID TO DTC OR ITS NOMINEE, AS THE REGISTERED OWNER, OR PROVIDE ANY NOTICES TO THE BENEFICIAL OWNERS OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC WILL ACT IN THE MANNER DESCRIBED IN THIS LIMITED OFFERING MEMORANDUM.

SECURITY FOR AND SOURCE OF PAYMENT OF BONDS

General

The Series 2013 Bonds are payable from and secured by the Assessments levied and collected by or on behalf of the District pursuant to Chapter 170 and Section 190.022, *Florida Statutes*, as amended from time to time, together with the interest specified by resolution adopted by the District, the interest specified in Chapter 170, Florida Statutes, if any such interest is collected by or on behalf of the District, and any applicable penalties collected by or on behalf of the District, together with any and all amounts received by the District from the sale of tax certificates or otherwise from the collection of delinquent Assessments, which are imposed, levied and collected by the District with respect to property specially benefited by the 2003 Project (the "Series 2013 Assessments")

The Series 2013 Assessments represent an allocation of the costs of the 2003 Project, including bond financing costs, to the lands within the District benefiting from the 2003 Project in accordance with the Preliminary Special Assessment Report, dated December 5, 2002, as supplemented by the Supplemental Assessment Report, Dated April 1, 2003, each prepared by Severn Trent-Moyer, as supplemented with respect to the Series 2013 Bonds by the Second Supplemental Assessment Report for the Series 2013 Bonds prepared by Severn Trent Services (collectively, the "Assessment Report") which Assessment Report has been adopted by the District.

The Series 2013 Bonds are additionally secured by amounts on deposit in the Funds and Accounts, other than the Series 2013 Rebate Account, created pursuant to the Indenture (the "Series 2013 Pledged Funds and Accounts" and together with the Series 2013 Assessments, the "Series 2013 Trust Estate."

NEITHER THE SERIES 2013 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 2013 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 MASTER INDENTURE OR IN THE SUPPLEMENTAL INDENTURE. NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE DISTRICT OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY DEBT SERVICE OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE MASTER INDENTURE, THE SUPPLEMENTAL INDENTURE, OR THE SERIES 2013 BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE MASTER INDENTURE, THE SUPPLEMENTAL INDENTURE, OR THE SERIES 2013 BONDS, SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE SERIES 2013 ASSESSMENT REVENUES AND THE SERIES 2013 PLEDGED FUNDS AND ACCOUNTS PLEDGED TO THE SERIES 2013 BONDS, ALL AS PROVIDED HEREIN, IN THE MASTER INDENTURE AND IN THE SUPPLEMENTAL INDENTURE.

Limitation on Additional Bonds

Subsequent to the issuance of the Series 2013 Bonds, the District may cause one or more Series of Additional Bonds or Refunding Bonds (as defined in the Master Indenture) to be issued pursuant to the Indenture, subject to the terms and conditions thereof. Additional Bonds may be issued for the purpose of paying the Cost of any Additional Series Project or any portion thereof or paying the Cost of completing a Series Project. Refunding Bonds may be issued for the purpose of refunding (including advance refunding) all or part of the Bonds then Outstanding of any one or more Series or maturities within a Series. Each Series of Additional Bonds and Refunding Bonds shall be secured separately from each other Series of Outstanding Bonds, except as otherwise provided in the Supplemental Indenture authorizing a Series of Bonds. In the Supplemental Indenture authorizing the Series 2013 Bonds, the District covenants and agrees that, so long as there are any Series 2013 Bonds Outstanding, it shall not cause or permit to be caused any lien, charge or claim against the Series 2013 Trust Estate. WHILE NO FUTURE ADDITIONAL BONDS WILL BE PAYABLE FROM OR SECURED BY THE ASSESSMENTS PLEDGED AS SECURITY FOR THE SERIES 2013 BONDS, THE DISTRICT, THE CITY, THE SCHOOL BOARD OF COLLIER COUNTY, FLORIDA, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF MAY IN THE FUTURE IMPOSE, LEVY AND COLLECT ASSESSMENTS AND TAXES THE LIENS OF WHICH WILL BE CO-EQUAL WITH THE LIEN OF THE SERIES 2013 ASSESSMENTS SECURING THE SERIES 2013 BONDS. See "SECURITY FOR AND SOURCE OF PAYMENT OF SERIES 2013 BONDS - Enforcement and Collection of Series 2013 Assessments" herein.

Funds and Accounts

The Indenture requires that the Trustee establish the following funds and accounts: within the Acquisition and Construction Fund, a "Series 2013 Acquisition and Construction Account" and therein, a "Series 2013 Costs of Issuance Account;" within the Revenue Fund, a "Series 2013 Revenue Account;" within the Debt Service Fund a "Series 2013 Principal Account," a "Series 2013 Interest Account," and a "Series 2013 Sinking Fund Account;" within the Series 2013 Reserve Fund a "Series 2013 Reserve Account;" and a "Series 2013 Redemption Account in the Redemption Fund" and therein an "Optional Redemption Subaccount," and a "Series 2013 Prepayment Subaccount."

Reserve Account Requirement

The Supplemental Indenture creates a Series 2013 Reserve Account. The "Series 2013 Reserve Account Requirement" with respect to the Series 2013 Bonds is an amount equal to []% of

the Maximum Annual Debt Service Requirement for Outstanding Series 2013 Bonds determined from time to time.

Amounts on deposit in the Series 2013 Reserve Account shall be used only for the purpose of making payments into the Series 2013 Interest Account, the Series 2013 Principal Account and the Series 2013 Sinking Fund Account to pay debt service on the Series 2013 Bonds, when due, without distinction as to Series 2013 Bonds and without privilege or priority of one Series 2013 Bond over another, to the extent the moneys on deposit in such Accounts and available therefor are insufficient and for no other purpose, except as specified in the Supplemental Indenture.

On the forty-fifth (45th) day preceding each Redemption Date (or, if such forty-fifth (45th) day is not a Business Day, on the first Business Day preceding such forty-fifth (45th) day), the Trustee is authorized and directed to recalculate the Series 2013 Reserve Account Requirement and to transfer any excess on deposit in the Series 2013 Reserve Account into the Series 2013 Prepayment Subaccount of the Series 2013 Redemption Account in the Redemption Fund and applied to the extraordinary mandatory redemption of the Series 2013 Bonds.

On the earliest date on which there is on deposit in the Series 2013 Reserve Account, sufficient monies, after taking into account other monies available therefor, to pay and redeem all of the Outstanding Series 2013 Bonds, together with accrued interest and redemption premium, if any, on such Series 2013 Bonds to the earliest date of redemption permitted therein and herein, then the Trustee shall transfer the amount on deposit in the Series 2013 Reserve Account into the Series 2013 Redemption Account in the Series 2013 Redemption Account in the Redemption Fund to pay and redeem all of the Outstanding Series 2013 Bonds on the earliest date permitted for redemption therein and in the Indenture.

Flow of Funds

The Second Supplemental Indenture directs the Trustee to deposit into the Series 2013 Revenue Account any and all amounts required to be deposited therein by the Indenture and any other amounts or payments specifically designated by the District pursuant to a written direction or by a Supplemental Indenture. The Series 2013 Revenue Account shall be held by the Trustee separate and apart from all other Funds and Accounts held under the Indenture and from all other moneys of the Trustee.

The Indenture requires that the District immediately upon receipt deposit Series 2013 Assessment Revenues with the Trustee together with a written accounting of the classification of such Series 2013 Assessment Revenues, which shall be deposited by the Trustee based upon such written accounting into the Funds and Accounts as follows:

(i) Series 2013 Assessment Interest which shall be deposited into the Series 2013 Interest Account to pay interest due on the Series 2013 Bonds;

(ii) Series 2013 Assessment Principal, which shall be deposited into the Series 2013 Principal Account to pay the Series 2013 Serial Bonds or the Series 2013 Sinking Fund Account to pay the Series 2013 Term Bonds, as applicable;

(iii) Series 2013 Prepayment Principal which shall be deposited into the Series 2013 Prepayment Subaccount in the Series 2013 Redemption Account;

(iv) Series 2013 Delinquent Assessment Principal, which shall first be applied to restore the amount of any withdrawal from the Series 2013 Reserve Account to pay the principal of Series

2013 Bonds, and, the balance, if any, shall be deposited into the Series 2013 Principal Account or the Series 2013 Sinking Fund Account, as applicable;

(v) Series 2013 Delinquent Assessment Interest, which shall first be applied to restore the amount of any withdrawal from the Series 2013 Reserve Account to pay the interest on Series 2013 Bonds, and, the balance, if any, deposited into the Series 2013 Revenue Account; and

(vi) all other Series 2013 Assessment Revenues, which shall be deposited into the Series 2013 Revenue Account.

On the forty-fifth (45th) day preceding each Redemption Date (or if such forty-fifth (45th) day is not a Business Day, on the Business Day next preceding such forty-fifth (45th) day), the Trustee shall determine the amount on deposit in the Series 2013 Prepayment Subaccount, and, if the balance therein is greater than zero, shall transfer from the Series 2013 Revenue Account for deposit into the Series 2013 Prepayment Subaccount, an amount sufficient to increase the amount on deposit therein to the next integral multiple of \$5,000, and, shall thereupon give notice and cause the extraordinary mandatory redemption of the Series 2013 Bonds on the next succeeding Redemption Date in the maximum aggregate principal amount for which moneys are then on deposit in the Series 2013 Prepayment Subaccount in accordance with the provisions for extraordinary redemption of the Series 2013 Bonds.

On May 1 and November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such May 1 or November 1), the Trustee shall transfer amounts on deposit in the Series 2013 Revenue Account to the Funds and Accounts designated below in the following amounts and in the following order of priority:

FIRST, from the Series 2013 Revenue Account to the Series 2013 Interest Account of the Debt Service Fund, an amount equal to the amount of interest payable on all Series 2013 Bonds then Outstanding on such May 1 or November 1 less any other amount already on deposit in the Series 2013 Interest Account not previously credited;

SECOND, to the Series 2013 Sinking Fund Account, the amount, if any, equal to the difference between the Amortization Installments of all Series 2013 Term Bonds subject to mandatory sinking fund redemption on such May 1, and the amount already on deposit in the Series 2013 Sinking Fund Account not previously credited, and to the Series 2013 Principal Account, the amount, if any, equal to the difference between the principal of all Series 2013 Serial Bonds maturing on such May 1, and the amount already on deposit in the Series 2013 Principal Account not previously credited;

THIRD, to the Series 2013 Reserve Account, the amount, if any, which is necessary to make the amount on deposit therein equal to the Series 2013 Reserve Account Requirement with respect to the Series 2013 Bonds; and

FOURTH, the balance shall be retained in the Series 2013 Revenue Account.

Anything herein to the contrary notwithstanding, it shall not, a fortiori, constitute an Event of Default hereunder if the full amount of the foregoing deposits are not made due to an insufficiency of funds therefor.

On any date required by the Tax Regulatory Covenants, the District shall give the Trustee written direction, and the Trustee shall, transfer from the Series 2013 Revenue Account to the Rebate Account established for the Series 2013 Bonds in the Rebate Fund in accordance with the

Master Indenture, the amount due and owing to the United States, which amount shall be paid, to the United States, when due, in accordance with such Tax Regulatory Covenants.

On or after each November 2, the balance on deposit in the Series 2013 Revenue Account on such November 2 shall be deposited into the Series 2013 Prepayment Subaccount in the Series 2013 Redemption Account in the Redemption Fund and applied on the next succeeding Redemption Date to the extraordinary redemption of Series 2013 Bonds; provided however, that on the date of such proposed transfer the amount on deposit in the Series 2013 Reserve Account in the Series 2013 Debt Service Reserve Fund shall be equal to the Series 2013 Reserve Account Requirement, and, provided further, that the Trustee shall not have actual knowledge (as described in the Master Indenture) of an Event of Default under the Master Indenture or hereunder relating to any of the Series 2013 Bonds, including the payment of Trustee's fees and expenses then due.

Anything in the Indenture to the contrary notwithstanding, earnings on investments in all of the Funds and Accounts held as security for the Series 2013 Bonds shall be invested only in Series 2013 Investment Obligations. Earnings on investments in the Series 2013 Revenue Account, the Series 2013 Debt Service Accounts, the Series 2013 Costs of Issuance Account and the Series 2013 Redemption Account and the Subaccounts therein shall be deposited, as realized, to the credit of the Series 2013 Revenue Account and used for the purpose of such Account.

Earnings on investments in the Series 2013 Reserve Account shall be disposed of as follows:

(i) if there was no deficiency (as defined in the Master Indenture) in the Series 2013 Reserve Account as of the most recent date on which amounts on deposit in the Series 2013 Reserve Account were valued by the Trustee, and if no withdrawals have been made from the Series 2013 Reserve Account since such date which have created a deficiency, then earnings on the Series 2013 Reserve Account shall be deposited into Series 2013 Revenue Account and applied as provided for moneys on deposit therein; and

(ii) if as of the last date on which amounts on deposit in the Series 2013 Reserve Account were valued by the Trustee there was a deficiency (as defined in the Master Indenture), or if after such date withdrawals have been made from the Series 2013 Reserve Account and have created such a deficiency, then earnings on investments in the Series 2013 Reserve Account shall be deposited into the Series 2013 Reserve Account until the amount on deposit therein is equal to the Series 2013 Reserve Account Requirement, and then earnings on the Series 2013 Reserve Account shall be deposited into the Series 2013 Revenue Account and applied as provided for moneys on deposit therein.

Enforcement and Collection of Series 2013 Assessments

The primary sources of payment for the Series 2013 Bonds are the Series 2013 Assessments imposed on each landowner within the District which are specially benefited by the 2003 Project. To the extent that landowners fail to pay such Series 2013 Assessments, delay payments, or are unable to pay Series 2013 Assessments, the successful pursuit of collection procedures available to the District is essential to continued payment of principal of and interest on the Series 2013 Bonds. The Act provides for various methods of collection of delinquent taxes by reference to other provisions of the Florida Statutes. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein for a summary of Series 2013 Assessment payment and collection procedures appearing in the Florida Statutes.

The District has covenanted in the Indenture to assess, levy, collect or cause to be collected and enforce the payment of Series 2013 Assessments in the manner prescribed by the Indenture and all resolutions, ordinances or laws thereunto appertaining and pay or cause to be paid to the Trustee the proceeds of Series 2013 Assessments, as received. The Indenture requires the District to use its

best efforts to collect Special Assessments levied on platted lots and pledged to secure the Series 2013 Bonds pursuant to the uniform method for the collection of special assessments set forth in the Act (the "Uniform Method"), and to collect Special Assessments levied on unplatted lots and pledged to secure the Series 2013 Bonds directly by the District pursuant to the Act and Chapters 170 and 197, Florida Statutes, and not pursuant to the Uniform Method, in each case unless otherwise directed by the Trustee acting at the direction of the Owners of a majority in aggregate principal amount of the Series 2013 Bonds.

The District has also covenanted and agreed that upon the occurrence and continuance of an Event of Default, it will take such actions to enforce the remedial provisions of the Indenture, the provisions for the collection of delinquent Special Assessments, the provisions for the foreclosure of liens of delinquent Special Assessments and will take such other appropriate remedial actions as shall be directed by the Trustee acting at the direction of, and on behalf of, the Owners of a majority in principal amount, from time to time, of the Series 2013 Bonds.

If the owner of any lot or parcel of land assessed for a particular Project shall be delinquent in the payment of any Special Assessment, then such Special Assessment shall be enforced pursuant to the provisions of Chapter 197, Florida Statutes, or any successor statute thereto, including but not limited to the sale of tax certificates and tax deeds as regards such delinquent Special Assessment. In the event the provisions of Chapter 197, Florida Statutes, and any provisions of the Act with respect to such sale are inapplicable by operation of law, then upon the delinquency of any Special Assessment the District shall, to the extent permitted by law, utilize any other method of enforcement as provided in the Master Indenture, including, without limitation, declaring the entire unpaid balance of such Special Assessment to be in default and, at its own expense, cause such delinquent property to be foreclosed, pursuant to the provisions of Section 170.10, Florida Statutes, in the same method now or hereafter provided by law for the foreclosure of mortgages on real estate, or pursuant to the provisions of Chapter 173, Florida Statutes, and Sections 190.026 and 170.10, Florida Statutes, or otherwise as provided by law.

If the Special Assessments levied and collected under the Uniform Method are delinquent, then the applicable procedures for issuance and sale of tax certificates and tax deeds for nonpayment shall be followed in accordance with Chapter 197, Florida Statutes and related statutes. The Indenture provides that if any property shall be offered for sale for the nonpayment of any Series 2013 Assessment and no person or persons shall purchase such property for an amount equal to the full amount due on the Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the property may then be purchased by the District for an amount equal to the balance due on the Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), from any legally available funds of the District and the District shall receive the property in its corporate name or in the name of a special purpose entity title to the property for the benefit of the Owners of the Series 2013 Bonds; provided that the Trustee shall have the right, acting at the direction of the Owners of a majority in aggregate principal amount, from time to time, of the Series 2013 Bonds, but shall not be obligated, to direct the District with respect to any action taken pursuant to this provision. The District, either through its own action, or actions caused to be taken through the Trustee, shall have the power and shall lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the Series 2013 Revenue Account. The District, either through its own actions, or actions caused to be taken through the Trustee, agrees that it shall, after being provided with assurances satisfactory to it of payment of its fees, costs and expenses for doing so, be required to take the measures provided by law for sale of property acquired by it as trustee for the Owners of the Series 2013 Bonds within thirty (30) days after the receipt of the request therefore signed by the Trustee or the Owners of a majority in aggregate principal amount, from time to time, of the Series 2013 Bonds. The Trustee may, upon direction from the Owners of a majority in aggregate principal amount of the Series 2013 Bonds, pay costs associated with any actions taken by District pursuant to this paragraph from any moneys legally available for such purpose held under the Indenture.

THERE CAN BE NO ASSURANCE THAT ANY SALE, PARTICULARLY A BULK SALE, OF LAND SUBJECT TO DELINQUENT ASSESSMENTS WILL PRODUCE PROCEEDS SUFFICIENT TO PAY THE FULL AMOUNT OF SUCH DELINQUENT ASSESSMENTS PLUS OTHER DELINQUENT TAXES AND ASSESSMENTS APPLICABLE THERETO.

Prepayment

Pursuant to the terms of applicable state law, any owner of property subject to the Series 2013 Assessments may, at its option, require the District to release and extinguish the lien upon its property by virtue of the levy of the Series 2013 Assessments that relate to the Series 2013 Bonds by paying to the District the entire amount of such Series 2013 Assessment on such property, plus accrued interest to the next succeeding Interest Payment Date (or the second succeeding Interest Payment Date if such prepayment is made within forty calendar days before an Interest Payment Date), attributable to the property subject to Series 2013 Assessment owned by such owner. Upon receipt of a prepayment as described in the preceding sentence, the District is to immediately pay the amount so received to the Trustee, and the District is to take such action as is necessary to record in the official records of the County an affidavit or affidavits, as the case may be, executed by an authorized officer of the District, to the effect that the Series 2013 Assessment has been paid and that such Series 2013 Assessment lien is thereby released and extinguished. Upon receipt of any such moneys from the District, the Trustee is to immediately deposit the same into the Series 2013 Redemption Account in the Redemption Fund, such funds are to be applied to the redemption of Series 2013 Bonds in accordance with the terms of the Indenture. See "DESCRIPTION OF THE SERIES 2013 BONDS -- Redemption Provisions" herein.

Re-Assessment

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

Structure of Series 2013 Assessments

The Series 2013 Assessments are payable in substantially equal annual installments of principal and interest. According to the District's Assessment Proceedings, a property owner may prepay the Series 2013 Assessment as described above.

Additional Covenant of the District Regarding Special Assessments

In addition, and not in limitation of, the covenants contained in the Indenture, the District covenants to comply with the terms of the Series 2013 Assessment Proceedings, and to levy the Series 2013 Assessments and any required true up payments, in such manner as will generate funds sufficient to pay the principal of and interest on the Series 2013 Bonds, when due.

The District further covenants and agrees that it will not reduce the Series 2013 Assessment on any tax parcel from that set forth in the Series 2013 Assessment Proceedings on account of any reduction in Debt Service on the Series 2013 Bonds resulting from a redemption of Series 2013 Bonds from amounts deposited into the Series 2013 Prepayment Subaccount in the Series 2013

Redemption Account in the Redemption Fund except to the extent such Series 2013 Assessment was prepaid.

THE SERIES 2013 ASSESSMENTS

General

The primary sources of payment for the Series 2013 Bonds are the Series 2013 Assessments levied and imposed on benefitted parcels in the Development specially benefitted by the refinancing of the 2003 Project or portions thereof pursuant to the assessment proceedings adopted by the District (the "Assessment Proceedings"). The determination, order, levy, and collection of Series 2013 Assessments must be done in compliance with procedural requirements and guidelines provided by State law. Failure by the District to comply with such requirements could result in delay in the collection of, or the complete inability to collect Series 2013 Assessments, during any year. Such delays in the collection of Series 2013 Assessments, or complete inability to collect Series 2013 Assessments, would have a material adverse effect on the ability of the District to make full or punctual payment of debt service requirements on the Series 2013 Bonds. To the extent that landowners fail to pay the Series 2013 Assessments, delay payments, or are unable to pay the same, the successful pursuance of collection procedures available to the District is essential to continued payment of principal of and interest on the Series 2013 Bonds. The Act provides for various methods of collection of delinquent Series 2013 Assessments by reference to other provisions of the Florida Statutes. The following is a description of certain statutory provisions of assessment payment and collection procedures appearing in the Florida Statutes, but is qualified in its entirety by reference to such statutes.

Alternative Uniform Tax Collection Procedure for Series 2013 Assessments

The Florida Statutes provide that, subject to certain conditions, non-ad valorem special assessments may be collected by using the Uniform Method. The Uniform Method of collection is available only in the event the District complies with statutory and regulatory requirements and enters into agreements with the Tax Collector and Property Appraiser providing for the Series 2013 Assessments to be levied and then collected in this manner. The District has covenanted in the Indenture to use its best efforts to collect the Series 2013 Assessments using the Uniform Method of collection on platted property. Under the Uniform Method, the Series 2013 Assessments will be collected together with county and other ad valorem taxes and will appear on the tax bill (also referred to as a "tax notice") issued to each landowner in the District. The statutes relating to enforcement of ad valorem taxes provide that ad valorem taxes become due and payable on November 1 of the year when assessed or as soon thereafter as the certified tax roll is received by the Tax Collector and constitute a lien upon the land from February 1 of such year until paid or barred by operation of law. Such taxes (together with any assessments, including the Series 2013 Assessments, being collected by the Uniform Method) are to be billed, and landowners in the District are required to pay all such taxes and assessments, without preference in payment of any particular increment of the tax bill, such as the increment owing for the Series 2013 Assessments. Upon receipt of moneys by the Tax Collector from the Series 2013 Assessments, such moneys will be delivered to the District, which will remit such Series 2013 Assessments to the Trustee for deposit to the applicable accounts and subaccounts established for the Series 2013 Bonds in the Revenue Fund created under the Indenture and applied in accordance therewith.

All County, school and special district ad valorem taxes, non-ad valorem special assessments and voter-approved ad valorem taxes levied to pay principal of and interest on bonds, including the Series 2013 Assessments levied by the District, are payable at one time. If a taxpayer does not make complete payment of the total amount, he or she cannot designate specific line items on his or her tax bill as deemed paid in full. Such partial payment is not to be accepted and any partial payment is to be returned to the taxpayer. Therefore, in the event the Series 2013 Assessments are collected

pursuant to the Uniform Method, any failure to pay any one line item, whether it be the Series 2013 Assessments or not, would cause the Series 2013 Assessments to not be collected to that extent on that parcel of property whose owner does not pay this bill in full, which could have a significant adverse effect on the ability of the District to make full or punctual payment of debt service requirements on the Series 2013 Bonds.

Under the Uniform Method, if the Series 2013 Assessments are paid during November when due or during the following three months, the taxpayer is granted a variable discount equal to 4% in November (or at any time within 30 days after the original tax notice is mailed) and decreasing one percentage point per month to 1% in February. All unpaid taxes and assessments, including the Series 2013 Assessments collected pursuant to the Uniform Method, become delinquent on April 1 of the year following assessment, and the Tax Collector is required to collect the ad valorem taxes and non-ad valorem special assessments on the tax bill prior to April 1 and after that date to institute statutory procedures upon delinquency to collect such taxes and assessments through the sale of "tax certificates," as discussed below. Delay in the mailing of tax notices to taxpayers may result in a delay throughout this process.

Collection of delinquent Series 2013 Assessments under the Uniform Method is, in essence, based upon the sale by the Tax Collector of "tax certificates" and remittance of the proceeds of such sale to the District for payment of the Series 2013 Assessments due. In the event of a delinquency in the payment of taxes and assessments on real property, the landowner may, prior to the sale of tax certificates, pay the total amount of delinquent ad valorem taxes and non-ad valorem assessments plus the applicable interest charge, costs and advertising charges on the amount of such delinquent taxes and assessments. If the landowner does not act, the Tax Collector is required to attempt to sell tax certificates on such property to the person who pays the delinquent taxes and assessments owing and interest thereon and certain costs, and who accepts the lowest interest rate per annum to be borne by the certificates (but not more than 18%). Tax certificates are sold by public bid. If there are no bidders, the tax certificate is issued to City of Fort Myers (the "County"), as the county in which the assessed lands are located. The County is to hold, but not pay for, the tax certificate with respect to the property, bearing interest at the maximum legal rate of interest (currently 18%). The Tax Collector does not collect any money if tax certificates are "struck off" (issued) to the County. The County may sell such certificates to the public at any time at the principal amount thereof plus interest at the rate of not more than 18% per annum and a fee. Proceeds from the sale of tax certificates are required to be used to pay taxes and assessments (including the Series 2013 Assessments), interest, costs and charges on the real property described in the certificate. The demand for such certificates is dependent upon various factors, which include the rate of interest that can be earned by ownership of such certificates and the underlying value of the land that is the subject of such certificates and which may be subject to sale at the demand of the certificate holder. Therefore, the underlying market value of the property within the District may affect the demand for certificates and the successful collection of the Series 2013 Assessments, which are the primary source of payment of the Series 2013 Bonds.

Any tax certificate in the hands of a person other than the County may be redeemed and canceled, in whole or in part, by the person owning or claiming an interest in the underlying land, or a creditor thereof, at any time before a tax deed is issued or the property is placed on the list of lands available for sale, at a price equal to the face amount of the certificate or portion thereof together with all interest, costs, charges and omitted taxes due. Regardless of the interest rate actually borne by the certificates, persons redeeming tax certificates must pay a minimum interest rate of 5%, unless the rate borne by the certificates is zero percent. The proceeds of such a redemption are paid to the Tax Collector who transmits to the holder of the tax certificate such proceeds less service charges, and the certificate is canceled. Redemption of tax certificates held by the County is effected by purchase of such certificates from the County, as described in the preceding paragraph.

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

In any such public sale conducted by the Clerk of the Circuit Court, the private holder of the tax certificate who is seeking a tax deed for non-homestead property is deemed to submit a minimum bid equal to the amount required to redeem the tax certificate, charges for the cost of sale, redemption of other tax certificates on the land, and the amount paid by such holder in applying for the tax deed, plus interest thereon. In the case of homestead property, the minimum bid is also deemed to include, in addition to the amount of money required for the minimum bid on non-homestead property, an amount equal to one-half of the latest assessed value of the homestead. If there are no higher bids, the holder receives title to the land, and the amounts paid for the certificate and in applying for a tax deed are credited toward the purchase price. If there are other bids, the holder may enter the bidding. The highest bidder is awarded title to the land. The portion of proceeds of such sale needed to redeem the tax certificate, and all other amounts paid by such person in applying for a tax deed, are forwarded to the holder thereof or credited to such holder if such holder is the successful bidder. Excess proceeds are distributed first to satisfy governmental liens against the land and then to the former title holder of the property (less service charges), lienholder of record, mortgagees of record, vendees of recorded contracts for deeds, and other lienholder and any other person to whom the land was last assessed on the tax roll for the year in which the land was assessed, all as their interest may appear.

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

On County-held certificates for which there are no bidders at the public sale, the County may at any time within ninety (90) days from the date the land is placed on the lists of lands available for taxes, purchase the land without further notice or advertising for a statutorily prescribed opening bid. After ninety (90) days have passed, any person or governmental unit may purchase the land by paying the amount of the opening bid. Ad valorem taxes and non- ad valorem assessments accruing after the date of public sale do not require repetition of the bidding process but are added to the minimum bid. Three years from the date the land was offered for public sale, unsold lands escheat to the County and all tax certificates, taxes and liens against the property are canceled and a deed is executed vesting title in the County Commission.

Pursuant to the Indenture, if any property is offered for sale for the nonpayment of any Series 2013 Assessments, and no person purchases the same for an amount at least equal to the full amount due on the Series 2013 Assessments, the District may purchase the property for an amount equal to the balance due on the Series 2013 Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any) from any legally available funds of the District. The District will thereupon receive title to the subject property for the benefit of the Owners of the Series 2013 Bonds and, either through its own actions or the actions of the Trustee, may lease or sell such property and deposit all of the net proceeds of any such sale or lease into the applicable Accounts and subaccounts

created for the Series 2013 Bonds in the Revenue Fund created under the Indenture and applied in accordance therewith. It should be noted that it is unlikely the District will ever have sufficient funds to complete a significant number of purchases of property offered for sale for the nonpayment of Series 2013 Assessments.

Foreclosure

In the event the Uniform Method of collection is not available to the District, the District may, itself, directly levy and enforce the collection of the Series 2013 Assessments pursuant to Chapters 170 and 190 and Section 197.3631, Florida Statutes. Section 170.10, Florida Statutes provides that upon the failure of any property owner to pay all or any part of the principal of a special assessment or the interest thereon, when due, the governing body of the entity levying the assessment is authorized to commence legal proceedings for the enforcement of the payment thereof, including commencement of an action in chancery, commencement of a foreclosure proceeding in the same manner as the foreclosure of a real estate mortgage, or commencement of an action under Chapter 173, Florida Statutes, relating to foreclosure of municipal tax and special assessment liens.

Provision of Supplemental Indenture Regarding Foreclosing of Special Assessment Lien

The Supplemental Indenture provides that, if any property shall be offered for sale for the nonpayment of any Series 2013 Assessment and no person or persons shall purchase such property for an amount equal to the full amount due on the Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the property may then be purchased by the District for an amount equal to the balance due on the Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), from any legally available funds of the District and the District shall receive the property in its corporate name or in the name of a special purpose entity title to the property for the benefit of the Owners of the Series 2013 Bonds; provided that the Trustee shall have the right, acting at the direction of the Owners of a majority in aggregate principal amount, from time to time, of the Series 2013 Bonds, but shall not be obligated, to direct the District with respect to any action taken pursuant to this provision. The District, either through its own action, or actions caused to be taken through the Trustee, shall have the power and shall lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the Series 2013 Revenue Account. The District, either through its own actions, or actions caused to be taken through the Trustee, agrees that it shall, after being provided with assurances satisfactory to it of payment of its fees, costs and expenses for doing so, be required to take the measures provided by law for sale of property acquired by it as trustee for the Owners of the Series 2013 Bonds within thirty (30) days after the receipt of the request therefore signed by the Trustee or the Owners of a majority in aggregate principal amount, from time to time, of the Series 2013 Bonds. The Trustee may, upon direction from the Owners of a majority in aggregate principal amount of the Series 2013 Bonds, pay costs associated with any actions taken by District pursuant to this paragraph from any moneys legally available for such purpose held under the Indenture.

[Remainder of page intentionally left blank]

ESTIMATED SOURCES AND USES OF BOND PROCEEDS

Par Amount of Series 2013 Bonds
Plus Other Legally Available Moneys (1)
Total Sources

Uses:
Deposit to Escrow Account
Deposit Costs of Issuance Account
Deposit to Series 2013 Interest Account
Deposit to Series 2013 Reserve Account
Underwriter's Discount
Total Uses

(1) Represents moneys remaining in the funds and accounts created under the First Supplemental Indenture for the benefit of the 2003 Bonds and a portion of which are available to pay debt service on the Series 2013.

[Remainder of page intentionally left blank]

DEBT SERVICE REQUIREMENTS

The following table sets forth the scheduled debt service on the Series 2013 Bonds:

Period Ending November 1st	Principal	Interest	Total Debt Service
2013			
2014			
2015			
2016			
2017			
2018			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
Totals			

[Remainder of page intentionally left blank]

BONDOWNERS' RISKS

There are certain risks inherent in an investment in bonds secured by special assessments issued by a public authority or governmental body in the State of Florida. Certain of these risks are described in the section above entitled "ENFORCEMENT OF ASSESSMENT COLLECTIONS"; however, certain additional risks are associated with the Series 2013 Bonds offered hereby. This section does not purport to summarize all risks that may be associated with purchasing or owning the Series 2013 Bonds and prospective purchasers are advised to read this Limited Offering Memorandum including all appendices hereto in its entirety to identify investment considerations relating to the Series 2013 Bonds.

I. In the event of the institution of bankruptcy or similar proceedings with respect to an owner of property subject to the Series 2013 Special Assessments, delays and impairment could occur in the payment of debt service on the Series 2013 Bonds as such bankruptcy could negatively impact the ability of: (i) the land owner being able to pay the Series 2013 Special Assessments; (ii) the County to sell tax certificates in relation to such property; and (iii) the District's ability to enforce collection. In addition, the remedies available to the Owners of the Series 2013 Bonds, the Trustee and the District upon an event of default under the Indenture are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, the remedies specified by federal, state and local law and in the Indenture and the Series 2013 Bonds, including, without limitation, enforcement of the obligation to pay Series 2013 Special Assessments and the ability of the District to foreclose the lien of the Series 2013 Special Assessments, may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2013 Bonds (including Bond Counsel's approving opinion) will be qualified as to the enforceability of the various legal instruments by limitation imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. The inability, either partially or fully, to enforce remedies available respecting the Series 2013 Bonds could have a material adverse impact on the interest of the Owners hereof. 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.

II. The principal security for the payment of the principal and interest on the Series 2013 Bonds is the timely collection of the Series 2013 Special Assessments. Series 2013 Special Assessments do not constitute a personal indebtedness of the owners of the land subject thereto, but are secured by a lien on such land. There is no assurance that the owners will be able to pay the Series 2013 Special Assessments or that they will pay such Series 2013 Special Assessments even though financially able to do so. The assessment of the benefits to be received by the land within the District as a result of implementation of the 2003 Project is not indicative of the realizable or market value of the land, which value may actually be higher or lower than the assessment of benefits. To the extent that the realizable or market value of the land benefited by the 2003 Project is lower than the assessment of benefits, the ability of the District to realize sufficient value from a foreclosure action to pay debt service on the Series 2013 Bonds may be adversely affected. Such adverse effect could render the District unable to collect Delinquent Assessments, if any, and provided such delinquencies are significant, could negatively impact the ability of the District to make the full or punctual payment of debt service on the Series 2013 Bonds.

III. From roughly 2008 to date, the residential real estate market in Florida has experienced historically high levels of foreclosure for existing homes. The Development has experienced foreclosures, as well as drops in the value of homes. In addition, the market for subprime lending which was an integral part of real estate sales prior to 2007, has essentially

evaporated which in turn impacts the ability of borrowers to obtain financing. No prediction can be made when such economic or market conditions will improve.

IV. The District has not granted, and may not grant under Florida law, a mortgage or security interest in any portion of the 2003 Project. Furthermore, the District has not pledged the revenues from the operation of any portion of the 2003 Project as security for, or a source of payment of, the Series 2013 Bonds. The Series 2013 Bonds are payable solely from, and secured solely by, the Series 2013 Special Assessments.

V. The willingness and/or ability of an owner of land within the Development to pay the Series 2013 Special Assessments could be affected by the existence of other taxes and assessments imposed upon the property by the District, the County or other governmental entities with jurisdiction over the District. Public entities whose boundaries overlap those of the District, such as the City, the County, the School District and other special districts, could, without the consent of the owners of the land within the Development, impose additional taxes or assessments on the property within the Development. 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 2013 Special Assessments, 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 2013 Special Assessments, would cause the Series 2013 Special 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 2013 Bonds. Public entities whose boundaries overlap those of the District could, without the consent of the owners of the land within the District, impose additional taxes or assessments on the property within the District. As referenced herein, the District may also impose additional assessments which could encumber the property burdened by the Series 2013 Special Assessments.

VI. In addition to legal delays that could result from bankruptcy, the ability of the District to enforce collection of delinquent Series 2013 Special Assessments will be dependent upon various factors, including the delay inherent in any judicial proceeding to enforce the lien of the Series 2013 Special Assessments and the value of the land which is the subject of such proceedings and which may be subject to sale. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein. If the District has difficulty in collecting the Series 2013 Special Assessments, the Series 2013 Reserve Account could be rapidly depleted and the ability of the District to pay debt service could be materially adversely affected.

VII. The Indenture does not provide for any adjustment to the interest rate(s) borne by the Series 2013 Bonds in the event of a change in the tax-exempt status of the Series 2013 Bonds. Such a change could occur as a result of the District's failure to comply with tax covenants contained in the Indenture or due to a change in the United States income 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 United States income tax laws. 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 2013 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 2013 Bonds, cannot be predicted. However, it is possible that any such law could have a material and adverse effect upon the value of the Series 2013 Bonds.

The IRS is examining certain bonds issued by Village Center Community Development District ("Village Center"). Village Center has filed a material events notice dated October 31, 2012 indicating that, through verbal communication, the IRS's Chief Counsel has advised Village Center

that the Chief Counsel has tentatively concluded that Village Center is not a political subdivision for purposes of Section 103(a) because a controlling portion of the governing board of Village Center at the time it issued the bonds under examination was elected by one property owner. When the Refunded Bonds were approved and issued to finance the 2003 Project, the majority of the Supervisors on the Board of the District were elected by the landowners. Currently, all of the Supervisors are qualified electors either elected or appointed to serve on the Board. It is not possible to predict when the IRS's examinations of the Village Center bonds will be concluded, the outcome of the examinations and the impact, if any, of such outcome on the District and/or the Series 2013 Bonds. See "THE DISTRICT - IRS Examination of Village Center CDD and Related Matters" herein.

There is no assurance that an audit by the IRS of the Series 2013 Bonds will not be commenced. Owners of the Series 2013 Bonds are advised that, if the IRS does audit the Series 2013 Bonds, under its current procedures, at least during the early stages of an audit, the IRS will treat the District as the taxpayer, and the owners of the Series 2013 Bonds may have limited rights to participate in such procedure. The commencement of such an audit could adversely affect the market value and liquidity of the Series 2013 Bonds until the audit is concluded, regardless of the ultimate outcome. In addition, in the event of an adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2013 Bonds, it is unlikely the District will have available revenues to enable it to contest such determination or enter into a voluntary financial settlement with the IRS. An adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2013 Bonds may adversely impact any secondary market for the Series 2013 Bonds, and, if a secondary market exists, will likely adversely impact the price for which the Series 2013 Bonds may be sold.

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. In addition, the IRS may, in the future, issue rulings that have the effect of changing the interpretation of existing tax laws. Certain of these proposals and interpretations, if implemented or upheld, could have the effect of diminishing the value of obligations of states and their political subdivisions, such as the Series 2013 Bonds, by eliminating or changing the tax-exempt status of interest on certain of such bonds. Whether any of such proposals will ultimately become or be upheld as law, and if so, the effect such proposals could have upon the value of bonds such as the Series 2013 Bonds, cannot be predicted. However, it is possible that any such law or interpretation could have a material and adverse effect upon the availability of a liquid secondary market and/or the value of the Series 2013 Bonds.

VIII. If the District should commence a foreclosure action against a landowner for non-payment of the Series 2013 Special Assessments, such landowners may raise affirmative defenses to such foreclosure action, which although such affirmative defenses may be proven to be without merit, could result in delays in completing the foreclosure action. In addition, the District is required under the Indenture to fund the costs of such foreclosure. It is likely that the District will not have sufficient funds and will be compelled to request the Owners to provide funds to pay the costs of the foreclosure action. Under the Code, there are limitations on the amounts of Series 2013 Bond proceeds that can be used for such purpose.

IX. Under Florida law, a landowner may contest the assessed valuation determined for its property which forms the basis of ad valorem taxes such landowner must pay. During this contest period, the sale of a tax certificate under the Uniform Method will be suspended. If the Series 2013 Special Assessments are being collected along with ad valorem taxes pursuant to the Uniform Method, tax certificates will not be sold with respect to the Series 2013 Special Assessments even though the landowner is not contesting the amount of Series 2013 Special Assessment.

X. Owners should note that several mortgage lenders have, in the past, raised legal challenges in the trial court to the primacy of the liens of special assessments in relation to the liens of mortgages burdening the same real property; in all such cases to date, the applicable courts have held that the special assessment liens (like those of the Series 2013 Special Assessments) are superior to those of the commercial mortgage lenders.

XI. On January 11, 2012, the Governor of the State issued an Executive Order (the "Executive Order") directing the Office of Policy and Budget in the Executive Office of the Governor (the "OPB") to examine the role of special districts in Florida, with a "special focus on increasing efficiency, fiscal accountability and transparency of operations to the public" and to submit reports to the Governor setting forth its findings and recommendations, including any recommendations for legislative action. The Executive Order states that the OPB's review is necessary to determine whether special districts are serving a legitimate public purpose, governed efficiently, levying taxes, fees and assessments appropriately, being held accountable to the public whose lives they directly impact, operating in a transparent manner and prudently spending taxpayers' dollars. The District is an independent special district of the State created pursuant to Chapter 190, Florida Statutes (the "Act"). It is not possible to determine at this time what recommendations, if any, the OPB will make pursuant to the Executive Order that will impact the Issuer and whether the Florida Legislature will implement any recommendations of the OPB through legislation that will impact the District. Section 190.16(14) of the Act provides in pertinent part that "The state pledges to the holders of any bonds issued under the Act that it will not limit or alter the rights of the district to levy and collect the . . . assessments . . . and to fulfill the terms of any agreement made with the holders of such bonds . . . and that it will not impair the rights or remedies of such holders."

TAX MATTERS

The Internal Revenue Code of 1986, as amended (the "Code") establishes certain requirements which must be met subsequent to the issuance and delivery of the Series 2013 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 2013 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the Series 2013 Bonds. The District has covenanted in the Indenture to comply with each such requirement.

In the opinion of Bond Counsel, assuming continuous compliance by the District with the Code and the tax covenants of the District, under existing statutes, regulations, published rulings, and judicial decisions, and subject to the conditions described below, interest on the Series 2013 Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, but is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax on certain corporations.

Prospective purchasers of the Series 2013 Bonds should be aware that ownership of, accrual or receipt of interest on or disposition of tax-exempt obligations, such as the Series 2013 Bonds, may have additional federal income tax consequences for certain taxpayers, including, without limitation, taxpayers eligible for the earned income credit, recipients of certain Social Security and certain Railroad Retirement benefits, taxpayers that may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, financial institutions, property and casualty companies, foreign corporations and certain S corporations.

Bond Counsel expresses no opinion regarding any federal tax consequences other than its opinion with regard to the exclusion of interest on the Series 2013 Bonds from gross income pursuant to Section 103 of the Code and the treatment of interest for purposes of the alternative minimum tax. Prospective purchasers of the Series 2013 Bonds should consult their tax advisors with respect to all other tax consequences (including, but not limited to, those listed above) of

holding the Series 2013 Bonds. Prospective purchasers of the Series 2013 Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

The opinion on federal tax matters will be based on and will assume the accuracy of certain representations and certifications and compliance with certain covenants of the District to be contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Series 2013 Bonds are and will remain obligations the interest on which is excluded from gross income for federal income tax purposes. Bond Counsel will not independently verify the accuracy of these certifications and representations.

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

The IRS has established an on-going program to audit tax-exempt obligations to determine whether interest on such obligations is includible in gross income for federal income tax purposes. Bond Counsel cannot predict whether the IRS will commence an audit of the Series 2013 Bonds. Owners of the Series 2013 Bonds are advised that, if the IRS does audit the Series 2013 Bonds, under current IRS procedures, at least during the early stages of an audit, the IRS will treat the District as the taxpayer, and the owners of the Series 2013 Bonds may have limited rights to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Series 2013 Bonds until the audit is concluded, regardless of the ultimate outcome.

In the opinion of Bond Counsel, interest on the Series 2013 Bonds is exempt from taxation under the existing laws of the State of Florida, except as to estate taxes and taxes imposed under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations, as defined in said Chapter 220, Florida Statutes.

Interest on the Series 2013 Bonds may be subject to state or local income taxation under applicable state or local laws in other jurisdictions. Purchasers of the Series 2013 Bonds should consult their tax advisors as to the income tax status of interest on the Series 2013 Bonds, in their particular state or local jurisdictions.

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2013 Bonds. In some cases these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar in nature to the Series 2013 Bonds. From time to time, legislative proposals may be introduced which could have an effect on both the federal tax consequences resulting from the ownership of the Series 2013 Bonds and their market value. No assurance can be given that any such legislative proposals, if enacted, would not apply to, or would not have an adverse effect upon, the Series 2013 Bonds. Prospective purchasers of the Series 2013 Bonds should consult their tax advisors as to the impact of any pending or proposed legislation. Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance of the Series 2013 Bonds may affect the tax status of interest on the Series 2013 Bonds.]

Tax Treatment of Original Issue Discount

Bond Counsel is further of the opinion that the difference between the principal amount of all of the Series 2013 Bonds, except for the Serial Series 2013 Bond maturing May 1, [] (collectively, the "Discount Bonds") and the initial offering price to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Discount Bonds of the same maturity 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 2013 Bonds. Further, such original issue discount accrues actuarially on a constant interest rate basis over the term of each Discount Bond and the basis of each Discount Bond acquired at such initial offering 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 Discount Bonds, even though there will not be a corresponding cash payment. The federal tax consequences of the purchase, ownership and redemption, sale or other disposition of the Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those above. Owners of the Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, redemption or other disposition of the Discount Bonds and with respect to the state and local tax consequences of owning and disposing of Discount Bonds.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Section 517.051, Florida Statutes, and the regulations promulgated thereunder (the "Disclosure Act") requires that the District make a full and fair disclosure of any bonds or other debt obligations that it has issued or guaranteed and that are or have been in default as to principal or interest at any time after December 31, 1975. No debt of the District has ever been in default as to principal or interest.

ABSENCE OF RATING

No application for credit enhancement or a rating on the Series 2013A-2 Bonds has been made, nor is there any reason to believe that the District would have been successful in obtaining either for the Series 2013A-2 Bonds had application been made.

VALIDATION

The Districts' authority to issue Bonds such as the Series 2013 Bonds was validated and confirmed by a final judgment of the Circuit Court of the State of Florida in and for Collier County on July 20, 2001 and by a final judgment of the Circuit Court of the State of Florida in and for Lee County on June 8, 2001. The appeal periods from such final judgments have expired with no appeal being filed.

LITIGATION

There is no pending or, to the knowledge of the District, any threatened litigation against the District of any nature whatsoever which in any way questions or affects the validity of the Series 2013 Bonds, or any proceedings or transactions relating to their issuance, sale, execution, or delivery, or the execution of the Indenture. Neither the creation, organization or existence, nor the title of the present members of the Board of Supervisors or the District Manager is being contested.

From time to time, the Districts expect to experience routine litigation and claims incidental to the conduct of their affairs. In the opinion of Counsel to the Districts, there are no actions presently pending or threatened, the adverse outcome of which would have a material adverse effect on the availability of the Series 2013 Trust Estate or the ability of the District to pay the Series 2013

Bonds from the Series 2013 Trust Estate. From time to time, the Districts are party to other various legal proceedings which individually are not expected to have a material adverse effect on the operations or financial condition of the Districts, but may, in the aggregate, have a material impact thereon. However, in the opinion of Counsel to the Districts, the Districts will either successfully defend such actions or otherwise resolve such matters without any material adverse consequences.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

The accuracy of the mathematical computations of the adequacy of the moneys held by the South Escrow Agent under the South Escrow Agreement to pay the principal of and interest on the Series 2003A Bonds and the 2001 South Bonds on the redemption date will be verified by Causey Demgen & Moore Inc.

The accuracy of the mathematical computations of the adequacy of the moneys held by the North Escrow Agent under the North Escrow Agreement to pay the principal of and interest on the 2001 North Bonds on the redemption date will be verified by Causey Demgen & Moore Inc.

CONTINUING DISCLOSURE

In order to comply with the continuing disclosure requirements of Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the “SEC Rule”), the District and the North District will enter into a Continuing Disclosure Agreement (the “Disclosure Agreement”), the form of which is attached hereto as APPENDIX E. Pursuant to the Disclosure Agreement, the District and the North District have covenanted for the benefit of Bondholders to provide certain financial information and operating data relating to the District and the North District and the Series 2013 Bonds in each year (the “District Annual Reports”), and to provide notices of the occurrence of certain enumerated material events. Such covenants by the District and the North District shall only apply so long as the Series 2013 Bonds remain outstanding under the Indenture.

The District Annual Reports will be filed by the District and the North District with the Municipal Securities Rulemaking Board’s Electronic Municipal Markets Access (“EMMA”) repository described in the form of the Disclosure Agreement attached hereto as APPENDIX E. The notices of material events will also be filed by the District and the North District with EMMA. The District and the North District have each previously appointed Prager & Co., LLC, as the dissemination agent for all of the foregoing disclosure materials. The specific nature of the information to be contained in the District Annual Reports and the notices of material events are described in APPENDIX E. The Disclosure Agreement will be executed by the District and the North District at the time of issuance of the Series 2013 Bonds. The foregoing covenants have been made in order to assist the Underwriters in complying with the SEC Rule.

The District has previously entered into continuing disclosure undertakings with respect to its Series 2003A Bonds, 2001 South Bonds and 2003 South Bonds. For the immediately preceding five fiscal years ending September 30, the District has timely filed its annual report.

The North District has previously entered into a continuing disclosure undertaking with respect to its 2001 North Bonds. For the immediately preceding five fiscal years ending September 30, the North District has timely filed its annual report.

With respect to the Series 2013 Bonds, no party other than the District and the North District is obligated to provide, nor is expected to provide, any continuing disclosure information with respect to the SEC Rule.

UNDERWRITING

The Underwriters will agree, pursuant to a contract to be entered into with the District, subject to certain conditions, to purchase the Series 2013 Bonds from the District at a purchase price of \$ (including Underwriters' discount of \$ and an original issue discount of \$). See "ESTIMATED SOURCES AND USES OF FUNDS" herein. The Underwriters' obligations are subject to certain conditions precedent and the Underwriters will be obligated to purchase all the Series 2013 Bonds if any are purchased.

The Underwriters intend to offer the Series 2013 Bonds to investors at the offering prices set forth on the cover page of this Limited Offering Memorandum, which may subsequently change without prior notice. The Underwriters may offer and sell the Series 2013 Bonds to certain dealers (including dealers depositing the Series 2013 Bonds into investment trusts) at prices lower than the initial offering prices and such initial offering prices may be changed from time to time by the Underwriters.

LEGAL MATTERS

The Series 2013 Bonds are offered for delivery when, as and if issued by the District and accepted by the Underwriters, subject to prior sale, withdrawal or modification of the offer without notice and the receipt of the opinion of Akerman Senterfitt, Orlando, Florida, Bond Counsel, as to the validity of the Series 2013 Bonds and the excludability of interest thereon from gross income for federal income tax purposes. Certain legal matters will be passed upon for the Districts by their counsel, Hopping Green & Sams, P.A., Tallahassee, Florida, for the Trustee by its counsel, Holland & Knight, LLP, Miami, Florida and for the Underwriters by their counsel, Nabors, Giblin & Nickerson, P.A., Tampa, Florida.

AGREEMENT BY THE STATE

Under the Act, the State of Florida pledges to the holders of any bonds issued thereunder, including the Series 2013 Bonds, that it will not limit or alter the rights of the issuer of such bonds 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.

FINANCIAL STATEMENTS

The District and the North District have covenanted in the Continuing Disclosure Agreement set forth in APPENDIX E hereto to provide their annual audit to the Municipal Securities Rulemaking Board's Electronic Municipal Markets Access repository as described in APPENDIX E. The audit report containing the audited financial statements of the District for the fiscal year ended September 30, 2011 is attached hereto as APPENDIX B. The consent of the District's auditor to include in this Limited Offering Memorandum the aforementioned reports was not requested, and the general purpose financial statements of the District are provided only as publicly available documents. The auditor was not requested nor did they perform any procedures with respect to the preparation of this Limited Offering Memorandum or the information presented herein.

EXPERTS AND CONSULTANTS

The references herein to Wrathell, Hunt and Associates, LLC as Assessment Consultant have been approved by said firm. The Assessment Consultant's Assessment Report prepared by such firm relating to the issuance of the Series 2013 Bonds has been included as APPENDIX A attached

hereto in reliance upon such firm as an expert in developing assessment methodologies. References to and excerpts herein from such report do not purport to be adequate summaries of such report or complete in all respects. Such report is an integral part of this Limited Offering Memorandum and should be read in its entirety for complete information with respect to the subjects discussed therein.

CONTINGENT AND OTHER FEES

The District has retained Bond Counsel, District Counsel, the Assessment Consultant, the Underwriter (who has retained Underwriter's Counsel) and the Trustee (who has retained Trustee's Counsel), with respect to the authorization, sale, execution and delivery of the Series 2013 Bonds. Payment of the fees of such professionals, except for the payment of fees to District Counsel and the Assessment Consultant, are each contingent upon the issuance of the Series 2013 Bonds.

MISCELLANEOUS

Any statements made in this Limited Offering Memorandum involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Limited Offering Memorandum nor any statement that may have been made verbally or in writing is to be construed as a contract with the holders of the Series 2013 Bonds.

The information contained in this Limited Offering Memorandum has been compiled from official and other sources deemed to be reliable, and is believed to be correct as of the date of the Limited Offering Memorandum, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriters. The Underwriters listed on the cover page hereof has reviewed the information in this Limited Offering Memorandum in accordance with and as part of its responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information. The information and expressions of opinion stated herein are subject to change, and neither the delivery of this Limited Offering Memorandum nor any sale made hereunder shall create, under any circumstances, any implication that there has been no change in the matters described herein since the date hereof.

The information and expression of opinion herein are subject to change without notice and neither the delivery of this Limited Offering Memorandum nor any sale made hereunder is to create, under any circumstances, any implication that there has been no change in the affairs of the District from the date hereof. However, certain parties to the transaction will, on the closing date of the Series 2013 Bonds, deliver certificates to the effect that nothing has come to their attention that would lead them to believe that applicable portions of the Limited Offering Memorandum contains an untrue statement of a material fact or omits to state a material fact that should be included herein for the purpose for which the Limited Offering Memorandum is intended to be used, or that is necessary to make the statements contained herein, in light of the circumstances under which they were made, not misleading and to the effect that from the date of the Limited Offering Memorandum to the date of closing of the Series 2013 Bonds that there has been no material adverse change in the information provided.

Any statements made in this Limited Offering Memorandum involving matters of opinion or of estimates, whether or not so expressly stated are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Limited Offering Memorandum nor any statement that may have been made verbally or in writing is to be construed as a contract with the owners of the Series 2013 Bonds.

This Limited Offering Memorandum is submitted in connection with the sale of the securities referred to herein and may not be reproduced or used, as a whole or in part, for any other purpose. The appendices hereof are integral parts of this Limited Offering Memorandum and must be read in their entirety together with all foregoing statements.

**MEDITERRA SOUTH COMMUNITY
DEVELOPMENT DISTRICT**

By: /s/ Kenneth Nails
Its: Chair

APPENDIX A

**SUPPLEMENTAL SPECIAL ASSESSMENT METHODOLOGY
REPORT FOR THE SERIES 2013 BONDS**

APPENDIX B

**AUDITED FINANCIAL STATEMENTS OF THE DISTRICT
FOR FISCAL YEAR ENDING SEPTEMBER 30, 2011**

APPENDIX C

**COPY OF MASTER INDENTURE AND
FORM OF FIFTH SUPPLEMENTAL TRUST INDENTURE**

APPENDIX D
FORM OF OPINION OF BOND COUNSEL

APPENDIX E
FORM OF CONTINUING DISCLOSURE AGREEMENT

Exhibit D

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the “Disclosure Agreement”) dated as of _____ 1, 2013, is executed and delivered by the Mediterra South Community Development District (the “Issuer”) and _____, as Dissemination Agent (the “Dissemination Agent”) in connection with the issuance of \$_____ aggregate principal amount of Capital Improvement Revenue Refunding Bonds, Series 2013 (the “Series 2013 Bonds”). The Series 2013 Bonds are being issued pursuant to a Master Trust Indenture dated as of December 1, 1999, by and between the Issuer and U.S. Bank National Association, as successor in trust to First Union National Bank, as trustee (the “Trustee”) as supplemented by a Fifth Supplemental Trust Indenture dated as of May 1, 2013 between the Issuer and the Trustee (collectively, the “Indenture”). The Issuer and the Dissemination Agent covenant and agree as follows:

1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer and the Dissemination Agent for the benefit of the Beneficial Owners of the Series 2013 Bonds and to assist the Participating Underwriters in complying with the continuing disclosure requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission (the “SEC”) pursuant to the Securities Exchange Act of 1934, as amended from time to time (the “Rule”).

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

2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section 2, the following capitalized terms shall have the following meanings:

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

“**Assessments**” shall mean the non-ad valorem special assessments pledged to the payment of the Series 2013 Bonds pursuant to the Indenture.

“**Beneficial Owner**” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Series 2013 Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2013 Bonds for federal income tax purposes.

“**Business Day**” means any day other than a Saturday, Sunday or a day on which the District is required, or authorized or not prohibited by law (including executive orders), to close and is closed.

“Dissemination Agent” shall mean, initially, _____, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer and Trustee a written acceptance of such designation.

“District Manager” shall mean Wrathell, Hunt and Associates, LLC.

“Event of Bankruptcy” shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

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

“Disclosure Representative” shall mean the District Manager of the Issuer or his/her/its designee, or such other officer or employee as the Issuer shall designate in writing to the Trustee and the Dissemination Agent from time to time.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

“Obligated Person” shall mean any person, including the Issuer, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Series 2013 Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities).

“Participating Underwriters” shall mean the original underwriters of the Series 2013 Bonds required to comply with the Rule in connection with offering of the Series 2013 Bonds.

“Repository” shall mean each entity authorized and approved by the Securities and Exchange Commission from time to time to act as a repository for purposes of complying with the Rule. The Repositories currently approved by the Securities and Exchange Commission may be found by visiting the Securities and Exchange Commission’s website at <http://www.sec.gov/info/municipal/nrmsir.htm>. As of the date hereof, the Repository recognized by the Securities and Exchange Commission for such purpose is the Municipal Securities Rulemaking Board, which currently accepts continuing disclosure

submissions through its Electronic Municipal Market Access (“EMMA”) web portal at “http://emma.msrb.org.”

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

“**State**” shall mean the State of Florida.

3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, within 180 days of the end of the Issuer’s Fiscal Year, beginning with the fiscal year ending September 30, 2012 with respect to the report for the 2012 Fiscal Year, provide to any Repository in electronic format as prescribed by such Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date provided, further, in such event unaudited financial statements are required to be delivered as part of the Annual Report in accordance with Section 4(a) below. If the Issuer’s fiscal year changes, the Issuer, as applicable, shall give notice of such change in the same manner as for a Listed Event under Section 5(a).

(b) If on the fifteenth (15th) day prior to each Annual Filing Date the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Issuer, of its undertaking to provide the Annual Report pursuant to Section 3(a) above. Upon such reminder, the Disclosure Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Report in accordance with Section 3(a) above, or (ii) instruct the Dissemination Agent in writing that the Issuer will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Dissemination Agent that a Notice Event as described in Section 5(a)(15) has occurred and to immediately send a notice to any Repository in electronic format as required by such repository in substantially the form attached as Exhibit A hereto.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of any Repository; and

(ii) promptly upon fulfilling its obligations under subsection (a) above, file a notice with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date(s) it was provided and listing any Repository to which it was provided.

4. Content of Annual Reports. The Annual Reports shall contain or include by reference the following:

(a) The Annual Reports shall contain or incorporate by reference the following, which includes an update of the financial and operating data of the Issuer to the extent presented in the Official Statement. All information in the Annual Reports shall be presented for the immediately preceding Fiscal Year and, to the extent available, the current Fiscal Year:

(i) The amount of Assessments levied.

(ii) The amount of Assessments collected from property owners.

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

(iv) The amount of tax certificates sold, if any, and the balance, if any, remaining for sale.

(v) All fund balances in all Funds and Accounts for the Series 2013 Bonds. The Issuer shall provide any Beneficial Owners and the Dissemination Agent with this information more frequently than annually within thirty (30) days of the written request of the Beneficial Owners.

(vi) The total amount of Series 2013 Bonds Outstanding.

(vii) The amount of principal and interest due on the Series 2013 Bonds.

(viii) The most recent audited financial statements of the Issuer, which shall be prepared in accordance with governmental accounting standards promulgated by the Government Accounting Standards Board.

(b) To the extent any of the items set forth in subsections (i) through (vii) above are included in the audited financial statements referred to in subsection (viii) above, they do not have to be separately set forth.

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

The information provided under this Section 4 may be included by specific reference to documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on the Repository's Internet Web site or filed with the Securities and Exchange Commission. The Issuer shall clearly identify each such other document so incorporated by reference.

The Issuer reserve the right to modify from time to time the specific types of information provided in its Annual Report or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Issuer; provided that the Issuer agrees that any such modification will be done in a manner consistent with the Rule.

5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Series 2013 Bonds to the Dissemination Agent in writing in sufficient time in order to allow the Dissemination Agent to file notice of the occurrence of such Listed Event in a timely manner not in excess of ten (10) business days after the occurrence of the event, with the exception of the event described in number 15 below, which notice shall be given in a timely manner:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;
3. unscheduled draws on debt service reserves reflecting financial difficulties;
4. unscheduled draws on credit enhancements reflecting financial difficulties;
5. substitution of credit or liquidity providers, or their failure to perform;
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Series 2013 Bonds, or other material events affecting the tax status of the Series 2013 Bonds;
7. modifications to rights of the holders of the Series 2013 Bonds, if material;
8. Bond calls, if material, and tender offers;
9. defeasances;

10. release, substitution, or sale of property securing repayment of the Series 2013 Bonds, if material;
11. ratings changes;
12. an Event of Bankruptcy or similar event of an Obligated Person;
13. the consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. appointment of a successor or additional trustee or the change of name of a trustee, if material; and
15. notice of any failure on the part of the Issuer to meet the requirements of Section 3 hereof.

(b) The notice required to be given in paragraph 5(a) above shall be filed with any Repository, in electronic format as prescribed by such Repository.

6. Reporting of Significant Events. In accordance with the Rule, all disclosure filings submitted in pursuant to this Disclosure Agreement to any Repository must be accompanied by identifying information as prescribed by the Repository. Such information may include, but not be limited to:

- (a) the category of information being provided;
- (b) the period covered by any annual financial information, financial statement or other financial information or operation data;
- (c) the issues or specific securities to which such documents are related (including CUSIPs, issuer name, state, issue description/securities name, dated date, maturity date, and/or coupon rate);
- (d) the name of any Obligated Person other than the Issuer;
- (e) the name and date of the document being submitted; and
- (f) contact information for the submitter.

7. Termination of Disclosure Agreement. The Issuer's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2013 Bonds, so long as there is no remaining liability of the Issuer, or if the Rule is repealed or no longer in effect. If such termination occurs prior to the final maturity of the Series 2013 Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5.

8. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated

Dissemination Agent, the Issuer shall be the Dissemination Agent. The initial Dissemination Agent shall be _____. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Agreement.

9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Issuer, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of counsel expert in federal securities laws, have complied with the requirements of the Rule at the time of the original issuance of the Series 2013 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the holders or Beneficial Owners of the Series 2013 Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of holders or Beneficial Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or Beneficial Owners of the Series 2013 Bonds.

Notwithstanding the foregoing, the Issuer and the Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment in its next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer, as applicable. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(b), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication,

or including any other information in any Annual Report or notice of occurrence of a potential material event, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

11. Default. In the event of a failure of the Issuer, the Disclosure Representative or a Dissemination Agent to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the request of any Participating Underwriter or the Holders of more than 50% aggregate principal amount of outstanding Series 2013 Bonds and receipt of indemnity satisfactory to the Trustee, shall), or any beneficial owner of a bond may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer, the Disclosure Representative or a Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. No default hereunder shall be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer, the Disclosure Representative or a Dissemination Agent, to comply with this Disclosure Agreement shall be an action to compel performance.

12. Duties of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement.

13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and beneficial owners of the Series 2013 Bonds, and shall create no rights in any other person or entity.

14. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

15. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Florida and Federal law.

16. Trustee Cooperation. The Issuer and the Trustee agree that the Dissemination Agent is a bona fide agent of the Issuer and may receive, on a timely basis, any information or reports it requests that the Issuer have a right to request (inclusive of balances, payments, etc.).

[End of document – signatures to follow]

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

[SEAL]

MEDITERRA SOUTH COMMUNITY DEVELOPMENT DISTRICT, AS ISSUER

CONSENTED TO AND AGREED TO BY:

WRATHELL, HUNT AND ASSOCIATES, LLC, and its successors and assigns, as Disclosure Representative

By: _____ Chairman, Board of Supervisors

Name: _____
Title: _____

JOINED BY U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE, FOR PURPOSES OF SECTIONS 10 AND 15 ONLY

By: _____
Name: _____
Title: _____

AS DISSEMINATION AGENT

By: _____
Managing Partner

EXHIBIT A

**NOTICE TO REPOSITORIES
OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: Mediterra South Community Development District

Name of Bond Issue: \$_____ Capital Improvement Revenue Refunding
 Bonds, Series 2013

Date of Issuance: _____, 2012

CUSIPS:

NOTICE IS HEREBY GIVEN that the [Issuer] has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Agreement dated as of _____, 2013, among the Issuer and the Dissemination Agent named therein. The [Issuer] has advised the undersigned that it anticipates that the Annual Report will be filed by _____, 20____.

Dated: _____, _____, Dissemination Agent

cc: Issuer

Exhibit E

ESCROW DEPOSIT AGREEMENT

ESCROW DEPOSIT AGREEMENT, dated as of _____, 2013, by and between the **MEDITERRA SOUTH COMMUNITY DEVELOPMENT DISTRICT** (the "**District**"), a duly constituted and existing community development district and local unit of special purpose government under the laws of the State of Florida, and **U.S. BANK NATIONAL ASSOCIATION** (the "**Escrow Agent**"), a national banking association organized and existing under the laws of the United States of America, as Escrow Agent hereunder.

WHEREAS, the District has previously issued its Capital Improvement Revenue Bonds, Series 2003A (the "2003 Bonds") pursuant to a Master Trust Indenture dated as of December 1, 1999 (the "Master Indenture") as supplemented by a Third Supplemental Trust Indenture dated as of May 1, 2003, both between the District and the Escrow Agent as Trustee (together with the Master Indenture, the "Indenture"); and

WHEREAS, Section 1201 of the Master Indenture provides that Bonds shall be deemed to have been paid within the meaning and with the effect expressed therein upon compliance by the District with the provisions thereof, which provisions the District hereby represents have not been amended or supplemented; and

WHEREAS, the District has determined to issue, pursuant to the Master Indenture as supplemented by a Fifth Supplemental Trust Indenture dated as of _____ 1, 2013 between the District and the Escrow Agent as Trustee, its \$_____ aggregate principal amount of Capital Improvement Revenue Refunding Bonds, Series 2013 for the principal purpose of refunding and together with other legally available moneys, defeasing as provided herein all of the Outstanding 2003 Bonds (the "Refunded Bonds"); and

WHEREAS, a portion of the proceeds of the 2013 Bonds together with other legally available moneys of the District will be deposited in the Escrow Fund created pursuant to Section 4 hereof in an amount sufficient without reinvestment to pay the Refunded Bonds as provided herein and to discharge and satisfy the covenants, agreements and other obligations of the District in regard to such Refunded Bonds; and

WHEREAS, the issuance of the 2013 Bonds, the deposit of such cash together with other legally available moneys of the District into the Escrow Fund to be held by the Escrow Agent and the discharge and satisfaction of the covenants, agreements and other obligations of the District in regard to the Refunded Bonds shall occur as a simultaneous transaction; and

WHEREAS, this Agreement is intended to effectuate such simultaneous transaction;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

1. The recitals stated above are true and correct and incorporated herein.

2. Receipt of true and correct copies of the above-mentioned Master Indenture is hereby acknowledged by the Escrow Agent. The applicable and necessary provisions of the Master Indenture, in particular Section 1201 thereof are incorporated herein by reference. The Escrow Agent also acknowledges receipt of the report of _____ dated _____, 2013 (the "Verification Report") indicating that sufficient cash has been deposited into the Escrow Fund to provide for all payments due on the Refunded Bonds through the redemption date of _____, 2013.

3. In accordance with the Master Indenture, the District by this agreement exercises the option to have the covenants, agreements and other obligations of the District to the holders of the Refunded Bonds discharged and satisfied.; and

4. There is hereby created and established with the Escrow Agent a special, segregated and irrevocable escrow fund designated the "Mediterra South Community Development District 2003 Bonds Escrow Deposit Fund" (the "Escrow Fund"), which Escrow Fund is to be held in the custody of the Escrow Agent as a trust fund for the benefit of the holders of the Refunded Bonds as provided more specifically below, separate and apart from other funds of the District and the Escrow Agent. The Escrow Agent hereby accepts the Escrow Fund and acknowledges the receipt of and deposit thereto of the sum of \$_____ in cash received by the District from the sale and delivery of the 2013 Bonds and other legally available moneys (the "Escrow Proceeds").

5. In reliance upon the Verification Report, the District represents and warrants that the deposit made pursuant to Section 4 is sufficient to pay the amounts of principal of and interest due and applicable redemption premium on the Refunded Bonds as described in **Schedule "A"** attached hereto. If such deposit shall be insufficient to make such payments, the District shall timely deposit in the Escrow Fund, solely from legally available funds of the District, such additional amounts as may be required to pay the Refunded Bonds as described in Schedule "A" hereto. Notice of any insufficiency shall be given by the Escrow Agent to the District as promptly as possible, but the Escrow Agent shall in no manner be responsible for the District's failure to make such deposits.

6. The deposit in the Escrow Fund as provided in Section 4 above shall constitute deposit of moneys in trust with the Escrow Agent solely for the payment of the principal and interest and applicable redemption premium on the Refunded Bonds at such time and in such amount as set forth in **Schedule "A"** hereto, and such deposit shall be used solely for such purposes.

7. The District hereby directs, and the Escrow Agent hereby agrees, that it will undertake the timely transfer of money to the Paying Agent for the Refunded Bonds or any successors or assigns thereto (collectively, the "Refunded Bonds Paying Agent") in accordance with **Schedule "A"** attached hereto, in order to effectuate this Agreement and to pay the Refunded Bonds in the amount and at the time provided in said **Schedule "A"**. The liability of the Escrow Agent to make such transfer for the payment of the principal of and interest and applicable redemption premium on the Refunded Bonds pursuant to this

Agreement shall be limited to the application of amounts available for such purposes in the Escrow Fund.

8. The District hereby irrevocably instructs the Escrow Agent as the registrar for the Refunded Bonds to give, at the appropriate time, the notice or notices required by the Indenture in connection with the redemption of the Refunded Bonds. The portion of the Refunded Bonds outstanding on May 1, 2013 and consisting of the Amortization Installments coming due May 1, 2014 and thereafter shall be redeemed on _____, 2013 at 101% of the principal amount thereof plus accrued interest to such redemption date.

9. Concurrently with the deposit set forth in Section 4 hereof, the Refunded Bonds are hereby deemed to have been paid within the meaning and with the effect expressed in the Indenture.

10. The Escrow Fund hereby created shall be irrevocable and the holders of the Refunded Bonds shall have an express lien on all cash deposited in the Escrow Fund pursuant to the terms hereof until paid out, used and applied in accordance with this Agreement. Neither the District or the Escrow Agent shall cause or permit any other lien or interest to be imposed upon the Escrow Funds.

11. This Agreement is made for the benefit of the District and the holders from time to time of the Refunded Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such holders and the written consent of the Escrow Agent provided, however, that the District and the Escrow Agent may, without the consent of, or notice to, such holders enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant, or confer upon, the Escrow Agent for the benefit of the holders of the Refunded Bonds, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to subject to this Agreement additional funds, securities or properties.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of nationally recognized bond counsel with respect to compliance with this Section 11, including the extent, if any, to which any change, modification or addition affects the rights of the holders of the Refunded Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section 11.

12. As long as the amounts on deposit in the Escrow Fund are held uninvested, the Escrow Agent is not charging any amount for performing under this Agreement provided, that the District shall pay any expenses associated with the performance by the Escrow Agent at the request of the District of any extraordinary services hereunder, which are payable by the District upon presentation of an invoice therefor from the Escrow Agent. The Escrow Agent

shall have no lien whatsoever upon any of the Escrow Securities or cash in said Escrow Fund for the payment of such proper fees and expenses.

13. The Escrow Agent shall not be liable in connection with the performance of its duties hereunder except for its own negligence, misconduct or default. The Escrow Agent shall not be liable for any loss resulting from any investments made pursuant to the terms of this Agreement. The Escrow Agent shall not be liable for the accuracy of the calculations as to the sufficiency of the deposit to the Escrow Fund to pay the Refunded Bonds. So long as the Escrow Agent applies any moneys to pay the Refunded Bonds as provided herein, and complies fully with the terms of this Agreement, the Escrow Agent shall not be liable for any deficiencies in the amounts necessary to pay the Refunded Bonds caused by such calculations. Notwithstanding any provision herein to the contrary, in no event shall the Escrow Agent be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such loss or damage and regardless of the form of action.

The duties and obligations of the Escrow Agent shall be determined by the express provisions of this Agreement and no implied warrants or obligations shall be read into this Agreement against the Escrow Agent. The Escrow Agent may consult with counsel with respect to any matter relevant to this Agreement, who may or may not be counsel to the District, and be entitled to receive from the District reimbursement of the reasonable fees and expenses of such counsel, and in reliance upon the opinion of such counsel have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Agent shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement, such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the District and the Escrow Agent may in good faith conclusively rely upon such certificate.

The Escrow Agent may conclusively rely upon and shall be fully protected in acting and relying upon any notice, order, requisition, request, consent, certificate, order, opinion (including an opinion of counsel), affidavit, letter, telegram or other paper or document in good faith deemed by it to be genuine and correct and to have been signed or sent by the proper person or persons. Any payment obligation of the Escrow Agent hereunder shall be paid from, and is limited to funds available, established and maintained hereunder; the Escrow Agent shall not be required to expend its own funds for the performance of its duties hereunder. The Escrow Agent may act through its agents and attorneys and shall not be responsible for any misconduct or negligence on the part of any such person so appointed with due care. The Escrow Agent shall not be responsible or liable for any failure or delay in the performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; hurricanes or other storms; wars; terrorism; similar military disturbances; sabotage; epidemic; pandemic; riots; interruptions; loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Escrow Agent shall use commercially reasonable efforts which are consistent with

accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

The District further agrees to indemnify and save the Escrow Agent harmless, to the extent allowed by law, against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence or default. Such indemnification shall survive the termination of this Agreement and/or the sooner resignation or removal of the Escrow Agent and shall inure to the benefit of the Escrow Agent's successors and assigns.

14. The Escrow Agent, at the time acting hereunder, may at any time resign and be discharged from the duties and obligations hereby created by giving not less than ten (10) days written notice to the District and mailing notice thereof, specifying the date when such resignation will take effect to the holders of all Refunded Bonds then outstanding, but no such resignation shall take effect unless a successor Escrow Agent shall have been appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding or by the District as hereinafter provided and such successor Escrow Agent shall have accepted such appointment, in which event such resignation shall take effect immediately upon the appointment and acceptance of a successor Escrow Agent.

The Escrow Agent may be removed at any time by an instrument or concurrent instruments in writing, delivered to the Escrow Agent and to the District and signed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding.

In the event the Escrow Agent hereunder shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case the Escrow Agent shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding by an instrument or concurrent instruments in writing, signed by such holders, or by their attorneys in fact, duly authorized in writing; provided, nevertheless, that in any such event, the District shall appoint a temporary Escrow Agent to fill such vacancy until a successor Escrow Agent shall be appointed by the holders of a majority in aggregate principal amount of the Refunded Bonds then outstanding in the manner above provided, and any such temporary Escrow Agent so appointed by the District shall immediately and without further act be superseded by the Escrow Agent so appointed by such holders.

In the event that no appointment of a successor Escrow Agent or a temporary successor Escrow Agent shall have been made by such holders or the District pursuant to the foregoing provisions of this Section 14 within ten (10) days after written notice of resignation of the Escrow Agent has been given to the District, the holder of any of the Refunded Bonds or any retiring Escrow Agent may apply to any court of competent jurisdiction for the appointment of a successor Escrow Agent, and such court may thereupon, after such notice, if any, as it shall deem proper, appoint a successor Escrow Agent.

No successor Escrow Agent shall be appointed unless such successor Escrow Agent shall be a corporation with trust powers organized under the banking laws of the United States or any state thereof, and shall have at the time of appointment capital and surplus of not less than \$75,000,000.

Every successor Escrow Agent appointed hereunder shall execute, acknowledge and deliver to its predecessor and to the District an instrument in writing accepting such appointment hereunder and thereupon such successor Escrow Agent, without any further act, deed or conveyance, shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of its predecessor; but such predecessor shall nevertheless, on the written request of such successor Escrow Agent or the District execute and deliver an instrument transferring to such successor Escrow Agent all the estates, properties, rights, powers and trust of such predecessor hereunder; and every predecessor Escrow Agent shall deliver all securities and moneys held by it to its successor; provided, however, that before any such delivery is required to be made, all fees, advances and expenses of the retiring or removed Escrow Agent shall be paid in full. Should any transfer, assignment or instrument in writing from the District be required by any successor Escrow Agent for more fully and certainly vesting in such successor Escrow Agent the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor Escrow Agent, any such transfer, assignment and instruments in writing shall, on request, be executed, acknowledged and delivered by the District.

Any corporation into which the Escrow Agent, or any successor to it in the trusts created by this Agreement, may be merged or converted or with which it or any successor to it may be consolidated, or transfers all or substantially all of its corporate trust business to, or any corporation resulting from any merger, conversion, consolidation or tax-free reorganization to which the Escrow Agent or any successor to it shall be a party, if satisfactory to the District, shall be the successor Escrow Agent under this Agreement without the execution or filing of any paper or any other act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

In the event the Escrow Agent resigns or is removed pursuant to the provisions hereof, any fee paid to the Escrow Agent as provided in Section 12 hereof shall to the extent of the unearned portion of such fee be rebated and returned to the District.

15. This Agreement, except as otherwise provided herein, shall terminate when all transfers and payments required to be made by the Escrow Agent under the provisions hereof shall have been made. Upon such termination, all moneys remaining in the Escrow Fund shall be released to the District.

16. This Agreement shall be governed by the applicable laws of the State of Florida without regard to conflict of law principles.

17. If any one or more of the covenants or agreements provided in this Agreement on the part of the District or the Escrow Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be

deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

18. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

19. The Issuer will not accelerate the maturity of any Refunded Bonds or exercise any option to redeem any Refunded Bonds except as set forth in Section 8 hereof.

20. Any notice, authorization, request or demand required or permitted to be given in accordance with the terms of this Agreement shall be in writing and sent by registered or certified mail addressed to:

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Mediterra South Community
Development District
c/o District Manager
6131 Lyons Road, Suite 100
Coconut Creek, FL 33073

U.S. Bank National Association

IN WITNESS WHEREOF, the parties hereto have each caused this Escrow Deposit Agreement to be executed by their duly authorized officers and appointed officials and their seals to be hereunder affixed and attested as of the date first above written.

**MEDITERRA SOUTH COMMUNITY
DEVELOPMENT DISTRICT**

(SEAL)

ATTEST:

By: _____
Chairman

Secretary

*(Signature page of Escrow Deposit Agreement dated _____, 2013
re: Mediterra South Community Development District)*

U.S. BANK NATIONAL ASSOCIATION

By: _____
Vice President

SCHEDULE A

<u>Payment Date</u>	<u>Maturing Principal</u>	<u>Redeemed Principal</u>	<u>Redemption Premium</u>	<u>Interest</u>	<u>Total</u>
_____, 2013	\$ _____	\$ _____	\$ _____*	\$ _____	\$ _____

* Based solely on the redeemed principal in the aggregate principal amount of \$ _____