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DEPUTY CLERK: BLOGGANS Pat Frank, Clerk
of the Circuit Court Hillsborough County

DISCLOSURE OF PUBLIC FINANCING AND MAINTENANCE
OF IMPROVEMENTS TO REAL PROPERTY UNDERTAKEN BY
THE WATERSSET NORTH COMMUNITY DEVELOPMENT DISTRICT

Board of Supervisors¹
Waterset North Community Development District

Alex McLeod
Chairman

Tom Griggs
Vice Chairman

Maja Barnat
Assistant Secretary

Pam Parisi
Assistant Secretary

Matthew Huber
Rizzetta & Company, Inc.
District Manager
3434 Colwell Avenue, Suite 200
Tampa, Florida 33614
(813) 933-5571

District records are on file at the District' Manager's office, 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614. All records are available for public inspection upon request during normal business hours.

¹ The list reflects the composition of the Board of Supervisors as of September 1, 2012. For a current list, please contact the District Manager.

TABLE OF CONTENTS

- I. Introduction
- II. What is the District and how is it governed?
- III. What Infrastructure Improvements does the District provide and how are the improvements paid for?
- IV. Roadways
- V. Underground and Streetlighting Electrical System
- VI. Stormwater Management and On-Site Wetland Mitigation
- VII. Hardscape, Landscape and Irrigation
- VIII. Recreational Facilities and Parks
- IX. Assessments, Fees and Charges
- X. Method of Collection

WATERSET NORTH COMMUNITY DEVELOPMENT DISTRICT

I. Introduction. On behalf of the Board of Supervisors of the Waterset North Community Development District (the "District"), the following information is provided to give you a description of the District's services and the assessments that have been levied within the District to pay for certain community infrastructure, and the manner in which the District is operated. The District is a local unit of special-purpose government created pursuant to and existing under the provisions of Chapter 190, Florida Statutes. Unlike city and county governments, the District has only certain limited powers and responsibilities. These powers and responsibilities include, for example, roadways, stormwater management, utility facilities, recreational facilities and landscaping improvements.

The District is here to serve the needs of the community and we encourage your participation in District activities.

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

II. What is the District and How is it Governed. The District is an independent special taxing District, created pursuant to and existing under the provisions of Chapter 190, Florida Statutes, and was established by the Board of County Commissioners of Hillsborough County by their adoption of Ordinance No. 07-3 on February 13, 2007, effective on February 16, 2007. The District currently encompasses approximately 561 acres of land located entirely within the jurisdictional boundaries of Hillsborough County, Florida. The legal description of the lands that encompass the District is attached hereto as Exhibit "A". As a local unit of special-purpose government, the District provides an alternative means for planning, financing, constructing, operating and maintaining various public improvements and community facilities within its jurisdiction.

The District is governed by a five-member Board of Supervisors, the members of which must be residents of the State and citizens of the United States. Within ninety (90) days of appointment of the initial board, members were elected on an at-large basis by the owners of property within the District, each landowner then being entitled to one vote for each acre of land owned with fractions thereof rounded upward to the nearest whole number. Future landowner elections are held every two years in November. Each landowner shall then be entitled to cast one vote for each acre of land owned with fractions thereof rounded upward to the nearest whole number or one vote per platted lot. Commencing six years after the initial appointment of Supervisors and coinciding with the November general election, when the District attains a minimum of two hundred and fifty (250) qualified electors, Supervisors whose terms are expiring will begin to be elected by qualified electors of the District. A "qualified elector" in this

instance is any person at least eighteen (18) years of age who is a citizen of the United States, a legal resident of Florida and of the District, and who is also registered with the Supervisor of Elections to vote in Hillsborough County. Notwithstanding the foregoing, if at any time the Board proposes to exercise its ad valorem taxing power, it shall, prior to the exercise of such power, call in election at which all members of the Board shall be elected by qualified electors of the District.

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

III. What Infrastructure Improvements does the District Provide, and How are the Improvements Paid For? The District is comprised of approximately 561 acres located in Hillsborough County, Florida. The public infrastructure necessary to support the Waterset North development program includes, but is not limited to the following: roadways, underground and street lighting electrical system, stormwater management system, landscaping and sidewalk improvements and recreational facilities ("Infrastructure Improvements"). Each of these Infrastructure Improvements is more fully detailed below.

These public Infrastructure Improvements are funded in part by the District's sale of bonds. On May 11, 2007, the Circuit Court of the Thirteenth Judicial Circuit of the State of Florida, in and for Hillsborough County, Florida, entered a Final Judgment validating the District's ability to issue aggregate principal amount not to exceed \$120,000,000.00 in Capital Improvement Revenue Bonds for infrastructure needs of the District. In October 2007, the District issued its first Series A and Series B Bonds to begin financing the Infrastructure Improvements. The District issued its first Capital Improvement Revenue Bonds, Series 2007A Bonds in the amount of \$7,960,000 and its Series B Bonds in the amount of \$27,155,000 (collectively, the "Series 2007 Bonds"). Proceeds of the Series 2007 Bonds have been, and will continue to be, used to finance a portion of the acquisition and construction costs of the Infrastructure Improvements to serve the lands in the District.

To plan the Infrastructure Improvements necessary for the District, the District adopted an Engineer's Report dated October 2007 as supplemented (the "Capital Improvement Plan"), which details all of the improvements contemplated for the completion of the infrastructure of the District. Copies of the Capital Improvement Plan are available for review in the District's public records.

IV. Roadways. The District has/will provide all internal roadways that are not eligible for Transportation Impact Fee Credit Offsets, as identified in the Capital Improvement Plan. It is currently anticipated that these roadways will be owned and maintained by Hillsborough County.

V. Underground and Streetlighting Electrical System. Tampa Electric Company (TECO) provides the underground electric service to the site, including the lines located within the public right-of-way of Big Bend Road, and the internal electrical distribution system, including transformers and service pedestals for street light locations. The District provides for the

installation of the underground electric conduits. The District presently pays TECO for the maintenance of the street lights.

VI. Stormwater Management and On-Site Wetland Mitigation. This District has/will provide for the design and construction or acquisition of District-wide stormwater management facilities necessary to support the development of the public Infrastructure Improvements. The Stormwater Management Plan utilizes constructed ponds in the uplands in conjunction with naturally occurring wetlands. The master stormwater collection and outfall systems is a combination of curb inlets, pipe culverts, control structures, and open waterways. The District is/will be responsible for ownership and maintenance of the stormwater management facilities.

VII. Hardscape, Landscape and Irrigation. Hardscape, landscaping and irrigation systems have been/will be constructed for the District. The hardscape, landscape and irrigation systems will be maintained by the District.

VIII. Recreational Facilities and Parks. The District includes an Amenity Center (including a pool, fitness center, pavilion and café), trails and park sites. The District will own and be responsible for maintenance of the recreational facilities and parks.

Further information regarding the Infrastructure Improvements and Capital Improvement Plan are available for review in the District's public records.

IX. Assessments, Fees and Charges. The costs of acquisition or construction of a portion of these Infrastructure Improvements have been financed by the District. The District, a local unit of special-purpose government of the State of Florida created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended, any successor statute thereto, the Florida Constitution, and other applicable provision of the law (the "Act"), by Ordinance No. 07-3 of the Board of County Commissioners of Hillsborough County, Florida (the "County Commission"), effective February 16, 2007 (the "Ordinance") has issued its Special Assessment Bonds, Series 2007A (the "Bonds") in the amount of \$7,960,000.00, and its Special Assessment Revenue Bonds, Series 2007B, in the amount of \$27,155,000. The Bonds are issued pursuant to the Act and secured pursuant to the provisions of a Master Trust Indenture dated as of October 1, 2007, as supplemented by a First Supplemental Trust Indenture dated as of October 1, 2007 (collectively, the "Indenture"), each by and between the District and The Bank of New York Trust Company, N.A., as trustee (the "Trustee"), Resolution No. 2007-18, adopted by the Board of Supervisors of the District (the "Board") on March 5, 2007, as amended and supplemented by Resolution 2007-31 and Resolution 2007-33 adopted by the Board on July 18, 2007 and August 28, 2007, respectively (collectively, the "Bond Resolution").

The Series 2007 Special Assessments comprising the Series 2007 Pledged Revenues have been levied by the District on the lands within the District specially benefited by the Series 2007 Project (the Series 2007 Project is the portion of the Infrastructure Improvements financed in part with the Series 2007 Bonds) pursuant to Resolution No. 2007-23, Resolution No. 2007-32, Resolution No. 2007-37, Resolution 2012-07, and Resolution 2012-09 adopted by the Board on June 6, 2007, July 18, 2007, August 28, 2007, April 27, 2012 and June 12, 2012, respectively (collectively the "Assessment Resolution"). The District has entered into a true-up agreement (the "True-Up Agreement"), a Declaration of Consent to Jurisdiction of the Waterset North

Community Development District and Imposition of Special Assessments (the "Declaration of Consent"), recorded in the Official Records of Hillsborough County, Florida at O.R. Book 18171, Page 1897, a Completion Agreement (the "Completion Agreement") with NNP-Southbend II, LLC (the "Developer") and an Acquisition Agreement (the "Acquisition Agreement") with the Developer. A Lien of Record of the District is recorded in the Official Records of Hillsborough County at O.R. Book 18171, Page 1864.

The annual debt service payments, including interest due thereon, for the Bonds are payable solely from and secured by the levy of non-ad valorem or special assessments against lands within the District which benefit from the construction, acquisition, establishment and operation of the District's improvements. The annual debt service obligations of the District which must be defrayed by annual assessments upon each parcel of land or platted lot will depend upon the type of property purchased.

In addition to the non-ad valorem or special assessments levied to pay for the annual debt service obligations, the District annually levies non-ad valorem or special assessments to pay for the operations and maintenance of the District, its projects and its facilities.

Interested persons are encouraged to contact the District Manager for information regarding special assessments on a particular lot or parcel of lands. A copy of the District's assessment methodology and assessment roll are available for review in the District's public records.

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

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

This description of the Waterset North Community Development District's operation, services and financing structure is intended to provide assistance to landowners and purchasers concerning the important role that the District plays in providing Infrastructure Improvements essential to the development of new communities. If you have any questions, or would simply like additional information about the District, please write to: Rizzetta & Company, Inc., District Manager, Attention: Matthew Huber, 3434 Colwell Avenue, Suite 200, Tampa, Florida 33614, or call (813) 933-5571.

IN WITNESS WHEREOF, this Disclosure of Public Financing and Maintenance of Improvements to Real Property Undertaken by the Waterset North Community Development District has been executed as of the 4th day of October, 2012, to be recorded in the Official Records of Hillsborough County, Florida.

**WATERSET NORTH COMMUNITY
DEVELOPMENT DISTRICT**

By: [Signature]
Alex McLeod,
Chairman, Board of Supervisors

Witnesses:

[Signature]
Print Name: Thomas J. Danahon

[Signature]
Print Name: Janet L. Brantner

STATE OF FLORIDA
COUNTY OF HILLSBOROUGH

The foregoing instrument was acknowledged before me this 4th day of October 2012, by Alex McLeod, as Chairman of the Board of Supervisors of Waterset North Community Development District, on behalf of the community development District, and who is personally known to me, or has produced _____ as identification.

[Signature]
NOTARY PUBLIC



Print Name: Janet L. Brantner
Commission Expires: 1/7/15
Commission No. EE42036

[REMAINING SIGNATURE TO FOLLOW ON NEXT PAGE]

RIZZETTA & COMPANY, INC., a Florida corporation

By: *M. Huber*
Matthew Huber
District Manager

Witnesses:

Ada Mojica
Print Name: Ada Mojica

Charles D. Cox
Print Name: Charles D. Cox

STATE OF FLORIDA
COUNTY OF HILLSBOROUGH

The foregoing instrument was acknowledged before me this 8th day of October, 2012, by Matthew Huber of Waterset North Community Development District, on behalf of the Community Development District, and who is personally known to me, or has produced _____ as identification.

Jennifer L. Budis
NOTARY PUBLIC



Print Name: Jennifer L. Budis
Commission Expires: 01/17/16
Commission No. EE 160670

Exhibit A

WATERSET
COMMUNITY DEVELOPMENT DISTRICT PARCEL NORTH

DESCRIPTION: A parcel of land lying in Sections 14, 22 and 23, Township 31 South, Range 19 East, Hillsborough County, Florida, and being more particularly described as follows:

Commence at the Southwest corner of said Section 23, run thence along the West boundary of the Southwest 1/4 of said Section 23, N.00°06'47"W., 2653.71 feet to the Southeast corner of the Northeast 1/4 of the aforesaid Section 22, said point also being the POINT OF BEGINNING; thence along the South boundary of said Northeast 1/4 of Section 22, N.89°26'00"W., 1324.15 feet; thence N.00°36'03"E., 887.18 feet; thence N.28°37'40"E., 494.13 feet; thence S.89°22'16"E., 1090.37 feet to a point on the West boundary of the Northwest 1/4 of the aforesaid Section 23; thence along said West boundary of the Northwest 1/4 of Section 23, S.00°31'54"W., 420.96 feet; thence S.88°52'25"E., 375.02 feet; thence along a line lying 375.00 feet East of and parallel with said West boundary of the Northwest 1/4 of Section 23, N.00°31'54"E., 1743.88 feet to a point on the South boundary of the Southwest 1/4 of the aforesaid Section 14; thence along a line lying 375.00 feet East of and parallel with the West boundary of said Southwest 1/4 of Section 14, N.00°54'04"E., 1444.84 feet to a point on the Southeasterly line of C.S.X. TRANSPORTATION, INC. railroad right-of-way; thence along said Southeasterly line, N.28°37'48"E., 3645.67 feet; thence S.66°58'08"E., 1960.04 feet; thence S.74°21'32"E., 120.00 feet to a point on a curve, said point also being the Northwesterly corner of COVINGTON PARK PHASE 5A, according to the plat thereof as recorded in Plat Book 99, Pages 210 through 226, inclusive, of the Public Records of Hillsborough County, Florida; thence along the Westerly boundary of said COVINGTON PARK PHASE 5A, Southwesterly, 943.31 feet along the arc of a curve to the right having a radius of 1660.00 feet and a central angle of 32°33'32" (chord bearing S.31°55'14"W., 930.67 feet) to the Westerlymost corner of said COVINGTON PARK PHASE 5A, also being the Northerlymost corner of COVINGTON PARK PHASE 5C, according to the plat thereof as recorded in Plat Book 99, Pages 299 through 309, inclusive, of the Public Records of Hillsborough County, Florida; thence along the Westerly boundary of said COVINGTON PARK PHASE 5C, the following three (3) courses: 1) continue Southwesterly, 573.65 feet along the arc of said curve to the right having the same radius of 1660.00

feet and a central angle of $19^{\circ}48'00''$ (chord bearing $S.58^{\circ}06'00''W.$, 570.80 feet) to a point of tangency; 2) $S.68^{\circ}00'00''W.$, 400.00 feet to a point of curvature; 3) Southwesterly, 1500.40 feet along the arc of a curve to the left having a radius of 1540.00 feet and a central angle of $55^{\circ}49'21''$ (chord bearing $S.40^{\circ}05'19''W.$, 1441.76 feet) to the Southwesterly corner of said COVINGTON PARK PHASE 5C, also being the Northwesterly corner of COVINGTON PARK PHASE 5B, according to the plat thereof as recorded in Plat Book 99, Pages 227 through 235, inclusive, of the Public Records of Hillsborough County, Florida; thence along the Westerly boundary of said COVINGTON PARK PHASE 5B, the following three (3) courses: 1) continue Southerly, 327.31 feet along the arc of said curve to the left having the same radius of 1540.00 feet and a central angle of $12^{\circ}10'39''$ (chord bearing $S.06^{\circ}05'19''W.$, 326.69 feet) to a point of tangency; 2) SOUTH, 400.00 feet to a point of curvature; 3) Southerly, 817.57 feet along the arc of a curve to the left having a radius of 2440.00 feet and a central angle of $19^{\circ}11'53''$ (chord bearing $S.09^{\circ}35'57''E.$, 813.75 feet) to a point on the North boundary of the aforesaid Northwest 1/4 of Section 23; thence along the South boundary of said COVINGTON PARK PHASE 5B and said North boundary of the Northwest 1/4 of Section 23, $S.89^{\circ}00'26''E.$, 754.20 feet, to the Northeast corner of said Northwest 1/4 of Section 23; thence continue along said South boundary of said COVINGTON PARK PHASE 5B and the South boundary of COVINGTON PARK PHASE 4A, according to the plat thereof as recorded in Plat Book 96, Page 30, of the Public Records of Hillsborough County, Florida, also being the North boundary of the Northeast 1/4 of said Section 23, $S.89^{\circ}01'03''E.$, 2583.53 feet to a point on the Westerly right-of-way line of COVINGTON GARDEN BOULEVARD, as recorded in Official Records Book 9930, Page 1237, of the Public Records of Hillsborough County, Florida; thence along said Westerly right-of-way line, the following seven (7) courses: 1) $S.00^{\circ}16'06''W.$, 1869.07 feet to a point of curvature; 2) Southerly, 148.84 feet along the arc of a curve to the left having a radius of 330.00 feet and a central angle of $25^{\circ}50'31''$ (chord bearing $S.12^{\circ}39'10''E.$, 147.58 feet) to a point of reverse curvature; 3) Southerly, 121.78 feet along the arc of a curve to the right having a radius of 270.00 feet and a central angle of $25^{\circ}50'31''$ (chord bearing $S.12^{\circ}39'10''E.$, 120.75 feet) to a point of tangency on the East boundary of the aforesaid Northeast 1/4 of Section 23; 4) along said East boundary of the Northeast 1/4 of Section 23, $S.00^{\circ}16'06''W.$, 527.18 feet to the Northeast corner of the

Southeast 1/4 of said Section 23; 5) along the East boundary of said Southeast 1/4 of Section 23, S.00°16'19"W., 2023.94 feet to a point of curvature; 6) Southerly, 158.36 feet along the arc of a curve to the right having a radius of 270.00 feet and a central angle of 33°36'17" (chord bearing S.17°04'28"W., 156.10 feet) to a point of tangency; 7) S.33°52'36"W., 574.64 feet to a point on the South boundary of said Southeast 1/4 of Section 23; thence along said South boundary of the Southeast 1/4 of Section 23, N.88°49'37"W., 726.16 feet; thence N.00°15'20"E., 2656.81 feet to a point on the South boundary of the aforesaid Northeast 1/4 of Section 23; thence along said South boundary of the Northeast 1/4 of Section 23 and the South boundary of the aforesaid Northwest 1/4 of Section 23, thence N.88°52'25"W., 4209.16 feet to the POINT OF BEGINNING.

Containing 567.024 acres, more or less.

LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL:

DESCRIPTION: A parcel of land lying in the Northwest 1/4 of Section 23, Township 31 South, Range 19 East, Hillsborough County, Florida, and being more particularly described as follows:

Commence at the Southwest corner of said Section 23, run thence along the West boundary of the Southwest 1/4 of said Section 23, N.00°06'47"W., 2653.71 feet to the Southwest corner of said Northwest 1/4 of the Section 23; thence along the West boundary of said Northwest 1/4 of Section 23, the following two (2) courses: 1) continue, N.00°31'54"E., 100.01 feet to the POINT OF BEGINNING; 2) continue, N.00°31'54"E., 701.08 feet; thence S.88°52'25"E., 375.02 feet; thence along a line lying 375.00 feet East of and parallel with said West boundary of the Northwest 1/4 of Section 23, S.00°31'54"W., 701.08 feet; thence N.88°52'25"W., 375.02 feet to the POINT OF BEGINNING.

Containing 6.035 acres, more or less.

ALTOGETHER containing 560.989 acres, more or less.

NLC-WS-002

P:\Waterset\WATERSET-CDDNORTH-DS

JMG

April 29, 2006