

EXHIBIT 2

MEDITERRA SOUTH COMMUNITY DEVELOPMENT DISTRICT
District Office – 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431

CERTIFICATE

I, Chesley E. Adams, Jr., Secretary of the Mediterra South Community Development District do hereby Certify that the attached copy of the Limited Offering Memorandum, Series 2012, has been compared by me with the original thereof and that said Limited Offering Memorandum is a true, complete and correct copy thereof, and said Limited Offering Memorandum has not been modified, amended or supplemented and is in full force and effect on and as of the date hereof in the form attached hereto.

IN WITNESS WHEREOF, I have hereunto set my hand and the official seal of the District this 21 day of APRIL, 2017.



**MEDITERRA SOUTH COMMUNITY
DEVELOPMENT DISTRICT**

BY: Chesley E. Adams, Jr.
SECRETARY

In the opinion of Bond Counsel (hereinafter defined), under existing statutes, regulations, rulings and court decisions, and assuming compliance with the tax covenants described herein, interest on the Series 2012 Bonds (hereinafter defined) 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. Such interest, however, will be includable in the calculation of certain corporations' alternative minimum taxable income. See "TAX EXEMPTION" herein regarding certain other tax considerations.

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

\$13,455,000

**Capital Improvement Revenue Refunding Bonds,
Series 2012**

Dated: Date of delivery

Due: May 1, as shown on the inside cover

The \$13,455,000 Mediterra South Community Development District Capital Improvement Revenue Refunding Bonds, Series 2012 (the "Series 2012 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 Fourth Supplemental Trust Indenture dated as of May 1, 2012, from the District to the Trustee (the "Fourth Supplement" and, together with the Master Indenture, the "Series 2012 Indenture") and an Interlocal Agreement dated as of April 11, 2012 (the "Interlocal Agreement") between the District and Mediterra North Community Development District (the "North District" and, together with the District, the "Districts"). The Series 2012 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 2012 Bonds are payable from and secured by the Series 2012 Trust Estate, which includes the Series 2012 Pledged Revenues. The Series 2012 Pledged Revenues consist of the revenues derived by the Districts from non ad-valorem special assessments levied against certain lands in the Mediterra development that are subject to assessment as a result of the Prior Projects (hereinafter defined), which include the repayments of the North Loan (hereinafter defined), or any portion thereof. See "SECURITY FOR AND SOURCE OF PAYMENT OF SERIES 2012 BONDS" and "THE SERIES 2012 ASSESSMENT AREA."

The Series 2012 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 2012 Bonds will be made in book-entry only form. Accordingly, principal of and interest on the Series 2012 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 2012 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 2012 Bond. See "DESCRIPTION OF THE SERIES 2012 BONDS - Book-Entry Only System" herein. The Series 2012 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 2012 Bonds is payable semi-annually on each May 1 and November 1, commencing November 1, 2012.

Some or all of the Series 2012 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 2012 Bonds are being issued to: (i) refund and redeem all of the Outstanding principal amount of the District's Capital Improvement Revenue Bonds, Series 1999A (the "1999 South Bonds"), Outstanding on date of delivery of the Series 2012 Bonds in the principal amount of \$3,380,000; (ii) refund and redeem all of the Outstanding principal amount of the District's Capital Improvement Revenue Bonds, Series 2001 (the "2001 South Bonds"), Outstanding on the date of delivery of the Series 2012 Bonds in the principal amount of \$4,165,000; (iii) make a loan to the North District pursuant to the Interlocal Agreement (the "North Loan") to finance the refunding and redemption of all of the Outstanding principal amount of the North District's Capital Improvement Revenue Bonds, Series 2001A (the "2001 North Bonds"), Outstanding on the date of delivery of the Series 2012 Bonds in the principal amount of \$6,025,000; (iv) pay certain costs associated with the issuance of the Series 2012 Bonds; and (v) make a deposit into the Series 2012 Reserve Account for the benefit of all of the Series 2012 Bonds.

THE SERIES 2012 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY OUT OF THE SERIES 2012 TRUST ESTATE PLEDGED THEREFOR UNDER THE SERIES 2012 INDENTURE AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE DISTRICT, THE NORTH DISTRICT, THE CITY OF BONITA SPRINGS, FLORIDA, COLLIER COUNTY, FLORIDA, LEE COUNTY, FLORIDA, THE STATE OF FLORIDA, NOR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE SERIES 2012 BONDS, EXCEPT THAT THE DISTRICT IS OBLIGATED UNDER THE SERIES 2012 INDENTURE AND THE NORTH DISTRICT IS OBLIGATED UNDER THE INTERLOCAL AGREEMENT TO LEVY AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION, ASSESSMENTS (AS DEFINED HEREIN) TO SECURE AND PAY THE SERIES 2012 BONDS. THE SERIES 2012 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE DISTRICT, THE NORTH DISTRICT, THE CITY OF BONITA SPRINGS, COLLIER COUNTY, FLORIDA, LEE COUNTY, FLORIDA, THE STATE OF FLORIDA, NOR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION.

THE SERIES 2012 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 SERIES 2012 BONDS ARE NOT CREDIT ENHANCED.

This cover page contains information for quick reference only. It is not a summary of the Series 2012 Bonds. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Series 2012 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 Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, as to the validity of the Series 2012 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, Bryant Miller Olive P.A., Orlando, Florida. It is expected that the Series 2012 Bonds will be available for delivery through the facilities of The Depository Trust Company in New York, New York on or about May 17, 2012.

MBS CAPITAL MARKETS, LLC

FMSBONDS, INC.

Dated: May 3, 2012

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

**\$13,455,000
Capital Improvement Revenue Refunding Bonds,
Series 2012**

\$6,355,000 Serial Series 2012 Bonds

<u>Maturity (May 1)</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Initial CUSIP No.</u>
2013	\$ 480,000	2.40%	2.45%	58500YAH1
2014	495,000	2.90	2.91	58500YAJ7
2015	515,000	3.10	3.11	58500YAK4
2016	530,000	3.40	3.41	58500YAL2
2017	550,000	3.60	3.63	58500YAM0
2018	565,000	3.80	3.85	58500YAN8
2019	590,000	4.00	4.07	58500YAP3
2020	615,000	4.20	4.24	58500YAQ1
2021	645,000	4.40	4.42	58500YAR9
2022	670,000	4.50	4.53	58500YAS7
2023	700,000	4.65	4.68	58500YAT5

\$7,100,000 5.10% Term Series 2012 Bond Due May 1, 2031 - Yield: 5.10% - CUSIP No. 58500YAV0

* 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

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

COUNSEL TO THE UNDERWRITERS

Bryant Miller Olive P.A.
Orlando, Florida

REGARDING USE OF THIS OFFICIAL STATEMENT

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 Official Statement, 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 Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2012 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 Underwriter has reviewed the information in this Official Statement in accordance with and, as part of its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not 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 Official Statement 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 UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2012 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 2012 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 2012 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 2012 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 OFFICIAL STATEMENT.

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OFFICIAL STATEMENT

relating to

MEDITERRA SOUTH COMMUNITY DEVELOPMENT DISTRICT
\$13,455,000
Capital Improvement Revenue Refunding Bonds
Series 2012

INTRODUCTION

The purpose of this Official Statement, 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 2012 (the "Series 2012 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 2012 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 Fourth Supplemental Trust Indenture, dated as of May 1, 2012 (the "Fourth Supplement" and, together with the Master Indenture, the "Series 2012 Indenture") and resolutions of the District authorizing the issuance of the Series 2012 Bonds. All capitalized terms used in this Official Statement that are defined in the Series 2012 Indenture and not defined herein shall have the respective meanings set forth in the copy of the Master Indenture or the form of the Fourth Supplement, both of which appear as composite APPENDIX C attached hereto.

THE SERIES 2012 BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS (SEE "SUITABILITY FOR INVESTMENT," "BONDOWNERS' RISKS" AND "RATING" HEREIN).

THE SERIES 2012 BONDS ARE NOT CREDIT ENHANCED. PROSPECTIVE INVESTORS IN THE SERIES 2012 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 OFFICIAL STATEMENT 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 District and the Mediterra North Community Development District (the "North District" and together with the District, the "Districts") have entered into an Interlocal Agreement dated as of April 11, 2012 (the "Interlocal Agreement"). Pursuant to the Interlocal Agreement, the District is authorized to issue, sell and deliver the Series 2012 Bonds on behalf of the Districts and to use the proceeds thereof to, among other things, (i) refund and redeem all of the District's Outstanding Capital Improvement Revenue Bonds, Series 1999A (the "1999 South Bonds"), Outstanding on the date of delivery of the Series 2012 Bonds in the principal amount of \$3,380,000, (ii) refund and redeem all of the District's Outstanding Capital Improvement Revenue Bonds, Series 2001 (the "2001 South Bonds"), Outstanding on the date of delivery of the Series 2012 Bonds in the principal amount of \$4,165,000 and (iii) to make a loan to the North District (the "North Loan") to finance the refunding and redemption of all of the North District's Outstanding Capital Improvement Revenue Bonds, Series 2001 (the "2001 North Bonds" and, together with the 1999 South Bonds and the 2001 South Bonds, the "Refunded Bonds") Outstanding on the date of delivery of the Series 2012 Bonds in the principal amount of \$6,025,000. Additionally, in accordance with the terms and provisions of the Interlocal Agreement, the North District has agreed to levy and collect Assessments within the North District allocable to the 2001 North Project and to deposit such revenues with the Trustee in order to pay debt service on the Series 2012 Bonds. It is currently estimated that approximately 45% of the total debt service of the Series 2012 Bonds will be paid from revenues received by the Trustee from the North District.

The 1999 South Bonds were issued to finance certain infrastructure and facilities benefiting District lands, including water management, right-of-way improvements, utilities, perimeter landscaping and fencing, recreational and park facilities, wetland mitigation, land acquisition, off-site improvements and technical services (collectively, the "1999 South Project"). The 2001 South Bonds were issued to finance certain infrastructure and facilities benefiting District lands, including water management, utilities, perimeter landscaping and fencing, wetland mitigation, land acquisition and technical services (collectively, the "2001 South Project"). The 2001 North Bonds were issued to finance certain infrastructure and facilities benefiting North District lands, including water management, utilities, perimeter landscaping and fencing, wetland mitigation, off-site road improvements, land acquisition and technical services (collectively, the "2001 North Project" and, together with the 1999 South Project and the 2001 South Project, the "Prior Projects").

The Series 2012 Bonds are payable from and secured by the revenues derived by the District from the Series 2012 Assessments, which include revenues received from the North District pursuant to the Interlocal Agreement, and the Funds and Accounts (except for the Series 2012 Rebate Account) established by the Fourth Supplement. "Series 2012 Assessments" is defined in the Fourth Supplement to mean, collectively, the Mediterra South Assessments and the Mediterra North Assessments and, in the case of the latter, as received by the Trustee on behalf of the District pursuant to the Interlocal Agreement, including any proceeds of Delinquent Assessments, including from the sale, rental or other disposition of any tax parcels as to which such Series 2012 Assessments are Delinquent.

The Series 2012 Indenture provides that, so long as there are Series 2012 Bonds Outstanding, the District shall not cause or permit to be caused any other lien, charge or claim against the Series 2012 Trust Estate.

There follows in this Official Statement a brief description of the District and the Series 2012 Assessment Area, together with summaries of the terms of the Series 2012 Indenture and certain provisions of the Act. All references herein to the Series 2012 Indenture and the Act are qualified in their entirety by reference to such documents and all references to the Series 2012 Bonds are qualified by reference to the definitive form thereof and the information with respect thereto contained in the Series 2012 Indenture. A copy of the Master Indenture and the form of the Fourth Supplement are attached hereto as composite APPENDIX C. This Official Statement, 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 2012 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 Official Statement. 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 2012 Bonds. Prospective investors are encouraged to request such additional information, visit the District or the North District and ask such questions. Such requests should be directed to:

Brett Sealy
MBS Capital Markets, LLC
329 North Park Avenue, Suite 300
Winter Park, Florida 32789
Ph: (407) 622-0130 ext. 303 (office)

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 2012 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 2012 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. Two of the current Supervisors (Kenneth Nails and Frank H. Godshall) were elected by qualified electors in November 2008, two Supervisors (Bill Rowe and Kenneth J. Tarr) were appointed by the Board to fill vacancies on the Board and one Supervisor (Dallas Luby)

was elected by qualified electors in November 2010. 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. 2008	Nov. 2012
Frank H. Godshall	Vice Chair	Nov. 2008	Nov. 2012
Dallas Luby	Assistant Secretary	Nov. 2010	Nov. 2014
Bill Rowe	Assistant Secretary	Dec. 2009	Nov. 2012
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 9220 Bonita Beach Road, Suite 214, Bonita Springs, Florida 34135 and its telephone number is (239) 498-9020.

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 Nabors, Giblin & Nickerson, P.A., Tampa, 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 2012 Bonds.

Outstanding Bonds

The District has previously issued its 1999 South Bonds under and pursuant to the Master Indenture and a First Supplemental Trust Indenture, dated as of December 1, 1999 (together with the Master Indenture, the "1999 South Indenture"), from the District to the Trustee, with respect to which, \$3,380,000 will be Outstanding on the date of delivery of the Series 2012 Bonds and which will be refunded with proceeds of the Series 2012 Bonds. The District has previously issued its 2001 South Bonds under and pursuant to the Master Indenture

and a Second Supplemental Trust Indenture, dated as of July 1, 2001 (together with the Master Indenture, the "2001 South Indenture"), from the District to the Trustee, with respect to which, \$4,165,000 will be Outstanding on the date of delivery of the Series 2012 Bonds and which will be refunded with proceeds of the Series 2012 Bonds. The District has previously issued its \$5,035,000 Mediterra South Community Development District Capital Improvement Revenue Bonds, Series 2003A (the "2003A South Bonds") of which \$4,170,000 will be Outstanding on the date of delivery of the Series 2012 Bonds and its \$8,110,000 Mediterra South Community Development District Capital Improvement Revenue Bonds, Series 2003B (the "2003B South Bonds" and, together with the 2003A South Bonds, the "2003 South Bonds") of which \$1,010,000 will be Outstanding on the date of delivery of the Series 2012 Bonds, each 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 South Indenture"), from the District to the Trustee. The 2003 South Bonds are secured by a separate pledge of a distinct Trust Estate under the 2003 South Indenture and such 2003 South Bonds do not constitute parity Bonds with the Series 2012 Bonds.

The North District has previously issued its 2001 North Bonds under and pursuant to a Master Trust Indenture dated as of July 1, 2001 (the "North Master Indenture") and a First Supplemental Trust Indenture, dated as of July 1, 2001 (together with the North Master Indenture, the "2001 North Indenture"), each from the North District to the Trustee in its capacity as trustee for the 2001 North Bonds (in such capacity, the "North Trustee"), with respect to which \$6,025,000 will be Outstanding on the date of delivery of the Series 2012 Bonds and which will be refunded with proceeds of the Series 2012 Bonds.

PLAN OF REFUNDING

The 1999 South Bonds were issued for the purpose of funding the 1999 South Project (as defined herein). The 2001 South Bonds were issued for the purpose of funding the 2001 South Project. The 2001 North Bonds were issued for the purpose of funding the 2001 North Project. Concurrently with the delivery of the Series 2012 Bonds, a portion of the proceeds of Series 2012 Bonds and other available moneys, will be applied to the refunding of the 1999 South Bonds and the 2001 South Bonds. Additionally, a portion of the proceeds of the Series 2012 Bonds will be used by the District to fund the North Loan. The proceeds of the North Loan will be used by the North District, together with other available moneys of the North District, to refund the 2001 North Bonds.

To effect the refunding of the 1999 South Bonds and the 2001 South Bonds, the District will enter into an escrow deposit agreement (the "South Escrow Agreement") with U.S. Bank National Association, as escrow agent (in such capacity, the "South Escrow Agent"). Pursuant to the terms of the South Escrow Agreement, the District will deposit with the South Escrow Agent a portion of the proceeds of the Series 2012 Bonds and other available moneys to refund the 1999 South Bonds and the 2001 South Bonds. Such proceeds and other available moneys may be held uninvested by the South Escrow Agent until applied to redeem the 1999 South Bonds and the 2001 South Bonds on June 18, 2012. Upon execution and delivery of the South Escrow Agreement and the deposit of such proceeds and other available moneys into the Escrow Deposit Trust Fund, all as provided in the South 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 1999 South Bonds and the 2001 South Bonds will no longer be deemed Outstanding pursuant to the 1999 South Indenture and the 2001 South Indenture, respectively.

To effect the refunding of the 2001 North Bonds, the North District will enter into an escrow deposit agreement (the "North Escrow Agreement") with U.S. Bank National Association, as escrow agent (in such capacity, the "North Escrow Agent"). Pursuant to the terms of the North Escrow Agreement, the North District will deposit with the North Escrow Agent a portion of the proceeds of the Series 2012 Bonds and other available moneys to refund the 2001 North Bonds. Such proceeds and other available moneys may be held uninvested by the North Escrow Agent until applied to redeem the 2001 North Bonds on June 18, 2012. Upon execution and delivery of the North Escrow Agreement and the deposit of such proceeds and other available moneys into the Escrow Deposit Trust Fund, all as provided in the North 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 2001 North Bonds will no longer be deemed Outstanding pursuant to the 2001 North Indenture.

The moneys held pursuant to the South Escrow Agreement and the North Escrow Agreement will not be available to pay debt service on the Series 2012 Bonds.

THE SERIES 2012 ASSESSMENT AREA

The information in this section "THE SERIES 2012 ASSESSMENT AREA" has been furnished by the District and the North District, as applicable, for inclusion in this Official Statement and, although believed to be reliable, such information has not been independently verified by the Underwriter or its 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 604 residential units. The North District encompasses approximately 521 acres in the City of Bonita Springs in Lee County and includes nine holes of golf and approximately 341 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 foot 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. Based upon information obtained from the Property Appraisers for both Lee and Collier Counties, the Club Facilities are currently collectively valued in excess of \$16.8 million. On May 1, 2012, approximately \$5,800,000 in principal amount of the 1999 South Bonds and \$8,125,000 in principal amount of the 2001 North Bonds will be redeemed due to the prepayment of Assessments allocated to the Club Facilities located in the District and North District, respectively.

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

Series 2012 Assessment Area Data

The Series 2012 Assessments securing the Series 2012 Bonds are levied in an area of the Development that includes 744 assessable units comprised of all 341 assessable units located in the North District and 403 assessable units in the District (together, the "Series 2012 Assessment Area"). Based upon information obtained from the Property Appraisers for both Lee and Collier Counties as well as the Mediterra homeowners' association, there are approximately 637 homes fully constructed in the Series 2012 Assessment Area and an additional 10 homes currently under construction, exclusive of the 12 units for which the Assessments securing the 1999 South Bonds and the 2001 South Bonds were previously prepaid. This represents 87% of the homes planned to be constructed in the Series 2012 Assessment Area. Of the approximately 97 developed lots without vertical construction, approximately 47 of such lots are owned by affiliated entities of London Bay Homes and 50 of such lots are owned by individuals or business entities through a limited liability company.

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The following table illustrates the current horizontal and vertical development status for the Series 2012 Assessment Area.

<u>District/Product Type</u>	<u>Total Units</u>	<u>Assessable Units</u>	<u>Vertical Construction*</u>	<u>Developed Lots without Homes</u>
Mediterra South CDD Series 1999A				
Manor/Estate	60	56	55	4
Villa	101	94	101	0
Coach	80	80	80	0
Subtotal	241	230	237	4
Mediterra South CDD Series 2001A				
Estate B	25	25	18	7
Manor B	27	27	26	1
Manor A	7	7	2	5
Estate A/Manor C	43	43	41	2
Villa A	22	22	4	18
Villa B**	43	42	40	3
Coach	7	7	7	0
Subtotal	174	173	138	36
Mediterra North CDD Series 2001A				
Manor 1/Estate 1 Alt	1	1	0	1
Manor 3	9	9	6	3
Manor 2	13	13	8	5
Manor 1/Estate 1	51	51	48	3
Villa 2 Alt	8	8	1	7
Villa 1	33	33	26	7
Villa 2	81	81	59	22
Coach 1	88	88	88	0
Coach	48	48	48	0
Villa 3	9	9	0	9
Subtotal	341	341	284	57
Total Assessment Area:	756	744	659	97

* Includes approximately 10 houses under construction.

** Includes one home situated on two lots which is assessed as two units.

Based upon information obtained from the Property Appraisers for both Lee and Collier Counties, the total assessed value for all assessable parcels located in the Series 2012 Assessment Area is \$774,987,003 which equates to an overall value to lien ratio for the Series 2012 Assessment Area of approximately 58 to 1. 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 2012 Bonds based upon assessed value information obtained from the Property Appraisers for both Lee and Collier Counties.

<u>District/Product Type</u>	<u>Assessable Units</u>	<u>Total Assessed Value (2011)</u>	<u>Average Assessed Value Per Unit</u>	<u>Series 2012 Bonds Principal Per Unit</u>	<u>Value to Lien</u>
Mediterra South CDD Series 1999A					
Manor/Estate	56	\$125,792,348	\$2,246,292	\$27,838	80.69
Villa	94	\$85,369,417	\$908,185	\$11,143	81.50
Coach	80	\$42,770,735	\$534,634	\$8,357	63.97
Subtotal	230	\$253,935,500			
Mediterra South CDD Series 2001A					
Estate B	25	\$42,109,672	\$1,684,387	\$35,039	48.07
Manor B	27	\$65,505,352	\$2,426,124	\$33,195	73.09
Manor A	7	\$5,525,780	\$789,397	\$29,507	26.75
Estate A/Manor C	43	\$85,920,470	\$1,998,150	\$27,663	72.23
Villa A	22	\$9,744,445	\$442,929	\$17,271	25.65
Villa B	42	\$43,187,110	\$1,005,796	\$12,909	77.91
Coach	7	\$3,512,875	\$501,839	\$9,221	54.42
Subtotal	173	\$254,562,006			
Mediterra North CDD Series 2001A					
Manor 1/Estate 1 Alt	1	\$225,000	\$225,000	\$44,931	5.01
Manor 3	9	\$9,539,328	\$1,059,925	\$37,247	28.46
Manor 2	13	\$18,783,321	\$1,444,871	\$36,267	39.84
Manor 1/Estate 1	51	\$83,358,574	\$1,634,482	\$35,287	46.32
Villa 2 Alt	8	\$2,080,000	\$260,000	\$23,020	11.29
Villa 1	33	\$29,050,302	\$880,312	\$17,153	51.32
Villa 2	81	\$64,602,851	\$797,566	\$13,723	58.12
Coach 1	88	\$41,478,661	\$471,348	\$10,231	46.07
Coach	48	\$16,769,660	\$349,368	\$9,802	35.64
Villa 3	9	\$604,800	\$67,200	\$15,683	4.28
Subtotal	341	\$266,492,497			
Total Assessment Area:	744	\$774,987,003			

As a result of the refunding of the Refunded Bonds, the annual debt service and corresponding principal assessments in the Series 2012 Assessment Area will decrease. The table below illustrates the annual and corresponding principal Series 2012 Assessments following the issuance of the Series 2012 Bonds.

<u>District/Product Type</u>	<u>Assessable Units</u>	<u>Series 2012 Annual Assessment Per Unit</u>	<u>Series 2012 Principal Assessment Per Unit</u>
Mediterra South CDD Series 1999A			
Manor/Estate	56	\$2,434	\$27,838
Villa	94	\$974	\$11,143
Coach	80	\$731	\$8,357
Subtotal	230		
Mediterra South CDD Series 2001A			
Estate B	25	\$3,061	\$35,039
Manor B	27	\$2,900	\$33,195
Manor A	7	\$2,578	\$29,507
Estate A/Manor C	43	\$2,417	\$27,663
Villa A	22	\$1,509	\$17,271
Villa B	42	\$1,128	\$12,909
Coach	7	\$806	\$9,221
Subtotal	173		
Mediterra North CDD Series 2001A			
Manor 1/Estate 1 Alt	1	\$3,781	\$44,931
Manor 3	9	\$3,134	\$37,247
Manor 2	13	\$3,052	\$36,267
Manor 1/Estate 1	51	\$2,969	\$35,287
Villa 2 Alt	8	\$1,937	\$23,020
Villa 1	33	\$1,443	\$17,153
Villa 2	81	\$1,155	\$13,723
Coach 1	88	\$861	\$10,231
Coach	48	\$825	\$9,802
Villa 3	9	\$1,320	\$15,683
Subtotal	341		
Total Assessment Area:	744		

In addition to the annual debt service assessments, each residential unit in the Series 2012 Assessment Area pays an annual operation and maintenance assessment to either the District or the North District, as applicable. Such annual amount is approximately \$505 based upon both the District's and the North District's adopted budget for fiscal year 2012. Each residential unit in the Series 2012 Assessment Area also pays property taxes assessed by the applicable taxing authorities. The current millage rate applicable to the District is 11.7341 and the current millage rate applicable for the North District is 16.1857. Further, each residential unit in the both the District and the North District is subject to homeowners' association fees.

There have been no draws on the debt service reserve funds for the Refunded Bonds since their respective dates of issuance. Historically, both the District and the North District have 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 2012 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 2012 Assessment Area.

<u>Year</u>	<u>Net Amount Levied</u>	<u>Net Amount Collected</u>	<u>% of Levy Collected</u>
FY 2010/11			
Mediterra South CDD Series 1999A	\$862,286	\$886,562	102.82%
Mediterra South CDD Series 2001A	\$398,323	\$412,903	103.66%
Mediterra North CDD Series 2001A	\$1,330,292	\$1,351,373	101.58%
Total	\$2,590,901	\$2,650,838	
FY 2009/10			
Mediterra South CDD Series 1999A	\$862,221	\$885,395	102.69%
Mediterra South CDD Series 2001A	\$404,647	\$420,299	103.87%
Mediterra North CDD Series 2001A	\$1,344,757	\$1,355,659	100.81%
Total	\$2,611,625	\$2,661,353	
FY 2008/09			
Mediterra South CDD Series 1999A	\$865,967	\$885,395	102.24%
Mediterra South CDD Series 2001A	\$402,024	\$423,995	105.47%
Mediterra North CDD Series 2001A	\$1,344,054	\$1,350,883	100.51%
Total	\$2,612,045	\$2,660,273	
FY 2007/08			
Mediterra South CDD Series 1999A	\$842,442	\$854,827	101.47%
Mediterra South CDD Series 2001A	\$391,564	\$440,312	112.45%
Mediterra North CDD Series 2001A	\$1,318,975	\$1,324,329	100.41%
Total	\$2,552,981	\$2,619,468	
FY 2006/07			
Mediterra South CDD Series 1999A	\$853,895	\$866,096	101.43%
Mediterra South CDD Series 2001A	\$421,828	\$434,843	103.09%
Mediterra North CDD Series 2001A	\$1,384,700	\$1,390,932	100.45%
Total	\$2,660,423	\$2,691,871	

The information appearing in the table below provides the delinquency history and the result of the sale of tax certificates for both the District and the North District pertaining to the Series 2012 Assessment Area based upon information obtained from the Tax Collectors for both Lee and Collier Counties.

	<u>FY</u> <u>2006/07</u>	<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>
Mediterra South CDD					
Delinquencies as of May 1 (\$)	\$18,263	\$41,487	\$38,115	\$19,602	\$19,917
Delinquencies as of May 1 (%)	1.43%	3.36%	3.01%	1.55%	1.53%
Tax Certificates Sold	\$18,263	\$37,782	\$20,093	\$18,443	\$19,917
Balance Remaining for Sale	\$0	\$0	\$0	\$0	\$0
Mediterra North CDD					
Delinquencies as of May 1	\$7,371	\$13,215	\$2,737	\$33,669	\$24,346
Delinquencies as of May 1 (%)	0.53%	1.00%	0.20%	2.50%	1.83%
Tax Certificates Sold	\$7,351	\$13,215	\$2,737	\$24,356	\$18,923
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 2012 BONDS

General Description

The Series 2012 Bonds are issuable as fully registered bonds, without coupons, in the minimum amount of \$5,000 and integral multiples of \$5,000 in excess of such minimum amount.

The Series 2012 Bonds will be dated and will bear interest payable on each May 1 and November 1, commencing November 1, 2012 (each, an "Interest Payment Date") and shall be computed on the basis of a 360-day year of twelve 30-day months. The Series 2012 Bonds will mature on such dates, in such amounts and at such rates as set forth on the cover page of this Official Statement.

Interest on each Series 2012 Bond will be payable on each Interest Payment Date as described herein and in the Series 2012 Indenture in any coin or currency of the United States of America which, at the date of payment thereof, is legal tender for the payment of public and private debts. Interest shall be paid to the registered Owner of Series 2012 Bonds at the close of business on the Record Date for such interest; provided, however, that on or after the occurrence and continuance of an Event of Default under clause (a) of Section 902 of the Master

Indenture, the payment of interest and principal or Redemption Price or Amortization Installments pursuant thereto shall be made by the Paying Agent to such person, who, on a special record date which is fixed by the Trustee, which shall be not more than fifteen (15) and not less than ten (10) days prior to the date of such proposed payment, appears on the registration books of the Bond Registrar as the registered Owner of a Series 2012 Bond. Any payment of principal, Amortization Installment or Redemption Price shall be made only upon presentation of the Series 2012 Bond at the designated corporate trust office of the Paying Agent in Fort Lauderdale, Florida. Payment of interest shall be made by check or draft (or by wire transfer to the registered Owner if such Owner requests such method of payment in writing 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 owns not less than \$1,000,000 in aggregate principal amount of the Series 2012 Bonds). Each Series 2012 Bond shall bear interest 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 of the Series 2012 Bonds.

The Series 2012 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 2012 Bonds and, so long as the Series 2012 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 for Series 2012 Bonds

Optional Redemption. For purposes of this paragraph, the “Mediterra North Portion” means the principal balance, from time to time outstanding, on the North Loan and the “Mediterra South Portion” means the principal amount of the Series 2012 Bonds Outstanding, from time to time, less the Mediterra North Portion. The Series 2012 Bonds maturing on or prior to May 1, 2021 are not subject to redemption at the option of the District prior to their stated dates of maturity. The Series 2012 Bonds maturing on or after May 1, 2022 are subject to redemption prior to maturity at the option of the District in whole or in part, but only if such partial redemption is equal to the entire Mediterra South Portion and/or the entire Mediterra North Portion, at any time (less than all Series 2012 Bonds to be selected by lot) on or after May 1, 2022 at the Redemption Price of the principal amount being redeemed, together with accrued interest to the date of redemption.

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Mandatory Redemption in Part. The Series 2012 Term Bond maturing May 1, 2031 is also subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2012 Sinking Fund Account established under the Fourth Supplement 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:

May 1 of the Year	Amortization Installment
2024	\$ 735,000
2025	780,000
2026	815,000
2027	860,000
2028	905,000
2029	950,000
2030	1,005,000
2031	1,050,000

*Final maturity

As more particularly set forth in the Series 2012 Indenture, any Series 2012 Term 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 the Series 2012 Term Bonds. Amortization Installments are also subject to recalculation, as provided in the Series 2012 Indenture, as the result of the redemption of Series 2012 Term Bonds other than from scheduled Amortization Installments so as to reamortize the remaining Outstanding principal balance of the Series 2012 Term Bonds and Series 2012 Serial 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 Series 2012 Indenture.

Extraordinary Mandatory Redemption in Whole or in Part. The Series 2012 Bonds are subject to extraordinary mandatory redemption prior to maturity, in whole on any date or in part on any Interest Payment Date, in the manner determined by the Bond Registrar at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption from amounts transferred to the Series 2012 Prepayment Subaccount of the Series 2012 Redemption Account in accordance with the terms of the Series 2012 Indenture, and, on the date on which the amount on deposit in the Series 2012 Reserve Account, together with other moneys available therefor, are sufficient to pay and redeem all of the Series 2012 Bonds then Outstanding, including accrued interest thereon.

If less than all of the Series 2012 Bonds are called for redemption, the particular Series 2012 Bonds or portions of Series 2012 Bonds to be redeemed shall be selected by lot by the Bond Registrar as provided in the Series 2012 Indenture.

Notice and Effect of Redemption

Notice of each redemption of Series 2012 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 2012 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 2012 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 2012 Bonds or such portions thereof on such date, interest on such Series 2012 Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2012 Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Series 2012 Indenture and the Owners thereof shall have no rights in respect of such Series 2012 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.

Failure to give notice by mailing to the Owner of any Series 2012 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 2012 Bond.

Selection of Series 2012 Bonds

Selection of Series 2012 Serial Bonds for redemption from Series 2012 Prepayments shall be made in such a manner that after such redemption, the then Outstanding principal amount of Series 2012 Serial Bonds and Series 2012 Term Bonds, after taking into account the provisions in the paragraph below, shall be payable in substantially equal annual installments of principal and interest (subject to rounding for Authorized Denominations) over the remaining term of such Outstanding Series 2012 Bonds. In accordance with the Series 2012 Indenture, the District shall prepare and deliver to the Trustee a cash flow certificate of the type described in Section 506(b) of the Master Indenture reflecting such Debt Service payment schedule.

Upon any redemption of Series 2012 Bonds (other than Series 2012 Term Bonds redeemed in accordance with scheduled Amortization Installments and other than Series 2012 Term Bonds redeemed 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 2012 Term 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 2012 Term Bonds, taking into account the Outstanding Series 2012 Serial Bonds redeemed in accordance with the paragraph above.

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 2012 Bonds. The Series 2012 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2012 Bond certificate will be issued for each maturity of the Series 2012 Bonds, in the aggregate principal amount of such maturity 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, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("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 ("Indirect Participants"). DTC has a Standard & Poor rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities Exchange Commission (the "SEC"). More information about DTC can be found at <http://www.dtcc.com> and www.dtc.org.

Purchases of Series 2012 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2012 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2012 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 2012 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2012 Bonds, except in the event that use of the book-entry system for the Series 2012 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2012 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 the Series 2012 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 2012 Bonds; DTC's records reflect only the identity of the Direct

Participants to whose accounts such Series 2012 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2012 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2012 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Series 2012 Bonds may wish to ascertain that the nominee holding the Series 2012 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2012 Bonds within a series or maturity of a series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such series or maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2012 Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2012 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, premium, if any, and interest payments on the Series 2012 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 Trustee on the payment 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 nor its nominee, the Trustee, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, and interest on the Series 2012 Bonds, as applicable, 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 Trustee, 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 Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2012 Bonds at any time by giving reasonable notice to the District or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2012 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 such event, Series 2012 Bonds will be printed and delivered to the Holders.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2012 BONDS, AS NOMINEE OF DTC, REFERENCE HEREIN TO THE HOLDER OF THE SERIES 2012 BONDS OR REGISTERED OWNERS OF THE SERIES 2012 BONDS SHALL MEAN DTC AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2012 BONDS.

SECURITY FOR AND SOURCE OF PAYMENT OF BONDS

General

The Series 2012 Bonds will be payable from and secured by that portion of the Assessments imposed, levied and collected by the District with respect to the property located within the Series 2012 Assessment Area (the "Series 2012 Assessments"). The Series 2012 Bonds are additionally secured by amounts on deposit in the Funds and Accounts, other than the Series 2012 Rebate Account, created pursuant to the Series 2012 Indenture (the "Series 2012 Pledged Funds" and, together with the Series 2012 Assessments, the "Series 2012 Trust Estate").

The Series 2012 Assessments represent an allocation of the costs of the 1999 South Project, the 2001 South Project and the 2001 North Project, including bond financing costs, to the lands within the District benefiting from the 1999 South Project and the 2001 South Project and to the lands within the North District benefiting from the 2001 North Project, in accordance with the Special Assessment Methodology Supplement for the 1999 South Bonds dated December 20, 1999, the Special Assessment Methodology Supplement for the 2001 South Bonds dated July 9, 2001 and the Special Assessment Methodology Supplement for the 2001 North Bonds dated July 25, 2001, each prepared by Fishkind & Associates, Inc., as subsequently amended and supplemented by the Supplemental Special Assessment Methodology Report for the Series 2012 Bonds prepared by Wrathell, Hunt and Associates, LLC (collectively, the "Assessment Report") which Assessment Report has been adopted by the District.

Pursuant to the Interlocal Agreement, the portion of the Series 2012 Assessments allocable to the 2001 North Project (the "2001 North Assessments") will be levied and collected by the North District against assessable units within the boundaries of the North District benefitted by the 2001 North Project. The revenues received by the North District from the levy and collection of that portion of the Series 2012 Assessments will be remitted to the Trustee to be applied to pay debt service on the Series 2012 Bonds.

NEITHER THE SERIES 2012 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 2012 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 SERIES 2012 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 SERIES 2012 INDENTURE

OR THE SERIES 2012 BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE SERIES 2012 INDENTURE OR THE SERIES 2012 BONDS, SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE SERIES 2012 ASSESSMENTS AND THE SERIES 2012 PLEDGED FUNDS AND ACCOUNTS PLEDGED TO THE SERIES 2012 BONDS, ALL AS PROVIDED HEREIN AND IN THE SERIES 2012 INDENTURE.

Funds and Accounts

The Series 2012 Indenture establishes with the Trustee the following Funds and Accounts: 1) within the Acquisition and Construction Fund, a Series 2012 Costs of Issuance Account; 2) within the Debt Service Fund, a Series 2012 Debt Service Account and therein a Series 2012 Principal Account, a Series 2012 Sinking Fund Account and a Series 2012 Interest Account; 3) within the Redemption Fund, a Series 2012 Redemption Account, and therein a Series 2012 Prepayment Subaccount and an Optional Redemption Subaccount; 4) in the Reserve Fund, a Series 2012 Reserve Account, which shall be held for the benefit of all of the Series 2012 Bonds, without distinction and without privilege or priority of one Series 2012 Bond over another; 5) within the Revenue Fund, a Series 2012 Revenue Account, and therein a General Subaccount, and therein a Mediterra South Revenue Subaccount, a Mediterra North Revenue Subaccount and a Mediterra North Prepayment Subaccount; and 6) within the Rebate Fund, a Series 2012 Rebate Account.

Reserve Account Requirement

The Series 2012 Reserve Account Requirement shall mean seventy-five percent (75%) of the Maximum Annual Debt Service Requirement for all Outstanding Series 2012 Bonds, determined from time to time as provided in the Series 2012 Indenture.

Flow of Funds

The Series 2012 Indenture authorizes and directs the Trustee to deposit into the Mediterra South Revenue Subaccount the Mediterra South Assessments and all amounts required to be deposited therein by the Series 2012 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 2012 Indenture further authorizes and directs the Trustee to receive all amounts from the North District under and pursuant to the terms of the Interlocal Agreement, including the Mediterra North Assessments, which, pursuant to the definition thereof shall constitute a part of the Series 2012 Assessment Revenues. The Trustee is further authorized and directed to deposit into the Mediterra North Revenue Subaccount Mediterra North Assessments and any and all other amounts required to be deposited therein by the Series 2012 Indenture and any other amounts or payments specifically designated by the District pursuant to a written direction or by a Supplemental Indenture or the Interlocal Agreement for said purpose. Notwithstanding the foregoing, the Trustee will deposit all Prepayments of Series 2012 Assessments, which are designated as such by the District into the Series 2012 Prepayment Subaccount in the Series 2012 Redemption Account in the Redemption Fund and will deposit all Prepayment of Series 2012 Assessments which are designated as such by the North District shall first be deposited into the Mediterra North Prepayment Subaccount in the Series 2012 Revenue Account of the Revenue Fund and then credited to the Series 2012 Prepayment Subaccount in the Series 2012 Redemption Account of the Redemption Fund. The Series 2012 Revenue Account and the Subaccounts therein shall

be held by the Trustee separate and apart from all other Funds and Accounts held under the Series 2012 Indenture and from all other moneys of the Trustee.

On each May 1, the Trustee shall transfer all moneys on deposit in the Mediterra South Revenue Subaccount and the Mediterra North Revenue Subaccount into the General Subaccount in the Series 2012 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 transfer into the Series 2012 Prepayment Subaccount in the Series 2012 Redemption Account in the Redemption Fund the balance on deposit in the Mediterra North Prepayment Subaccount in the Series 2012 Revenue Account and shall then determine the amount on deposit in the Series 2012 Prepayment Subaccount, and, if the balance therein is greater than zero, shall transfer from the General Subaccount in the Series 2012 Revenue Account for deposit into the Series 2012 Prepayment Subaccount, an amount sufficient to increase the amount on deposit therein to an integral multiple of \$5,000, and, shall thereupon give notice and cause the extraordinary mandatory redemption of the Series 2012 Bonds on the next succeeding Redemption Date in the maximum aggregate principal amount for which moneys are then on deposit in the Series 2012 Prepayment Subaccount in accordance with the provisions for extraordinary redemption of the Series 2012 Bonds set forth in the Series 2012 Bonds and the Series 2012 Indenture.

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 General Subaccount in the Series 2012 Revenue Account to the Funds and Accounts designated below in the following amounts and in the following order of priority:

FIRST, from the General Subaccount in the Series 2012 Revenue Account to the Series 2012 Interest Account of the Debt Service Fund, an amount equal to the amount of interest payable on all Series 2012 Bonds then Outstanding on such May 1 or November 1 less any other amount already on deposit in the Series 2012 Interest Account not previously credited;

SECOND, to the Series 2012 Sinking Fund Account, the amount, if any, equal to the difference between the Amortization Installments of all Series 2012 Term Bonds subject to mandatory sinking fund redemption on such May 1, and the amount already on deposit in the Series 2012 Sinking Fund Account not previously credited, and to the Series 2012 Principal Account, the amount, if any, equal to the difference between the principal of all Series 2012 Serial Bonds maturing on such May 1, and the amount already on deposit in the Series 2012 Principal Account not previously credited;

THIRD, to the Series 2012 Reserve Account, the amount, if any, which is necessary to make the amount on deposit therein equal to the Series 2012 Reserve Account Requirement with respect to the Series 2012 Bonds; and

FOURTH, the balance shall be retained in the Series 2012 Revenue Account.

On any date required by the Tax Regulatory Covenants, the District shall give the Trustee written direction, and the Trustee shall, transfer from the General Subaccount of the Series 2012 Revenue Account to the Series 2012 Rebate Account, 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 General Subaccount of the Series 2012 Revenue Account on such November 2, shall be deposited into the Series 2012 Prepayment Subaccount in the Series 2012 Redemption Account in the Redemption Fund and applied on the next succeeding Redemption Date to the extraordinary redemption of Series 2012 Bonds; provided however, that on the date of such proposed transfer the amount on deposit in the Series 2012 Reserve Account shall be equal to the Series 2012 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 the Fourth Supplement relating to any of the Series 2012 Bonds, including the payment of Trustee's fees and expenses then due.

Investments

Earnings on investments in all of the Funds and Accounts held as security for the Series 2012 Bonds except for earnings on investments in the Series 2012 Reserve Account, shall be invested only in Series 2012 Investment Obligations as provided in the Series 2012 Indenture. Earnings on investments in the Series 2012 Sinking Fund Account and the Series 2012 Redemption Account and the Subaccounts therein shall be deposited, as realized, to the credit of the General Subaccount of the Series 2012 Revenue Account and used for the purpose of such Account.

Earnings on investments in the Series 2012 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 2012 Reserve Account as of the most recent date on which amounts on deposit in the Series 2012 Reserve Account were valued by the Trustee, and if no withdrawals have been made from the Series 2012 Reserve Account since such date which have created a deficiency, then earnings on the Series 2012 Reserve Account shall be deposited into the General Subaccount of the Series 2012 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 2012 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 2012 Reserve Account and have created such a deficiency, then earnings on investments in the Series 2012 Reserve Account shall be deposited into the Series 2012 Reserve Account until the amount on deposit therein is equal to the Series 2012 Reserve Account Requirement and then earnings in the Series 2012 Reserve Account shall be deposited into the General Subaccount of the Series 2012 Revenue Account and applied as provided for moneys on deposit therein.

Enforcement and Collection of Series 2012 Assessments

The primary sources of payment for the Series 2012 Bonds are the Series 2012 Assessments imposed on each landowner within the Districts which were specially benefited by the Prior Projects. To the extent that landowners within the Districts fail to pay such Series 2012 Assessments, delay payments, or are unable to pay Series 2012 Assessments, the successful

pursuit of collection procedures available to the Districts is essential to continued payment of principal of and interest on the Series 2012 Bonds. The Act provides for various methods of collection of delinquent taxes by reference to other provisions of the Florida Statutes. See "THE SERIES 2012 ASSESSMENTS" herein for a summary of Series 2012 Assessment payment and collection procedures appearing in the Florida Statutes.

Covenant with Regard to Enforcement and Collection of Delinquent Assessments

The District covenants and agrees in the Series 2012 Indenture that upon the occurrence and continuance of an Event of Default, it will take such actions to enforce the remedial provisions of the Series 2012 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.

Covenants with Regard to Interlocal Agreement

The North District covenants and agrees in the Interlocal Agreement that it will levy and collect the Mediterra North Assessments. The District covenants and agrees in the Series 2012 Indenture that it will enforce, by mandamus if necessary, each and every provision of the Interlocal Agreement in such manner as to ensure the timely payment to the Trustee of the portion of the 2001 North Assessments in order to pay debt service on the Series 2012 Bonds. All amounts payable and due to be payable under the Interlocal Agreement are absolutely assigned under the Fourth Supplement by the District to the Trustee for the benefit, from time to time, of the Owners of the Series 2012 Bonds.

Allocation of Debt Service

In the table below entitled "DEBT SERVICE REQUIREMENTS," as well as in Exhibit A to the Fourth Supplement (a form of which is attached hereto in APPENDIX C) are schedules reflecting the allocation of Series 2012 Bonds to the District (the "District Debt Service Allocation") and to the North District (the "North District Debt Service Allocation"). In the event that payments of Series 2012 Assessments by either District are in excess of scheduled installments of Series 2012 Assessments, the District shall cause Prepayments Principal of the 2001 North Assessments to be deposited into the Mediterra North Prepayment Subaccount and any other excess amounts to be deposited with the Trustee for deposit into the Series 2012 Prepayment Subaccount in the Series 2012 Revenue Account for ultimate application as provided in the Fourth Supplement to the extraordinary mandatory redemption of the Series 2012 Bonds and shall further cause the corresponding Debt Service Allocation to be recalculated so as to amortize the remaining scheduled balance of principal and interest shown thereon over the remaining term shown on the corresponding Debt Service Allocation. The District agrees in the Fourth Supplement and the North District agrees in the Interlocal Agreement that the allocations set forth in Exhibit A to the Fourth Supplement do not impact on the obligation to timely pay Debt Service on the Series 2012 Bonds. The Trustee will have no duty to monitor compliance by the District or the North District under the Interlocal Agreement or to verify the allocation set forth in Exhibit A to the Fourth Supplement.

Release of Lien of a Portion of the Series 2012 Trust Estate

In the event that the North District optionally prepays the North District Debt Service Allocation in accordance with the provisions of the Interlocal Agreement, the lien and pledge of the proceeds of the repayments of the North Loan and the Mediterra North Assessments shall cease and determine and the Series 2012 Trust Estate shall consist solely of the Mediterra South Assessments pledged as a part thereof.

In the event that the District determines to optionally prepay the District Debt Service Allocation and cause the optional redemption of Series 2012 Bonds in accordance with the optional redemption provisions of the Series 2012 Indenture and the Series 2012 Bonds, the lien and pledge of the Mediterra South Assessments shall cease and determine and the Series 2012 Trust Estate shall consist solely of the repayments of the North Loan and the Mediterra North Assessments pledged as a part thereof.

Additional Covenants Regarding Assessments

The District covenants in the Series 2012 Indenture and the North District covenants in the Interlocal Agreement to comply with the terms of the Assessment Proceedings adopted with respect to the Series 2012 Assessments, including the Assessment Report, and to levy the Series 2012 Assessments and required payments set forth in the Assessment Report, in such manner as will generate funds sufficient to pay the principal of and interest on the Series 2012 Bonds, when due.

The District further covenants and agrees in the Series 2012 Indenture and the North District further covenants and agrees in the Interlocal Agreement that so long as any Series 2012 Bonds are Outstanding, it will not reduce the Series 2012 Assessment on any tax parcel, other than as the result of a prepayment in whole or in part of the Series 2012 Assessment on such parcel, from that set forth in the Assessment Report on account of any reduction in Debt Service on the Series 2012 Bonds resulting from a redemption of Series 2012 Bonds from amounts deposited into the Series 2012 Prepayment Subaccount of the Series 2012 Redemption Account in the Redemption Fund for such purpose.

Additional Bonds; Parity Assessments

The District covenants and agrees in the Series 2012 Indenture and the North District covenants and agrees in the Interlocal Agreement that so long as there are Series 2012 Bonds Outstanding, it shall not cause or permit to be caused any other lien, charge or claim against the Series 2012 Trust Estate. However, the Districts may issue a Series of Bonds that are payable from non-ad valorem assessments (other than the Series 2012 Assessments) levied on the lands in the Development that benefit from the Series Project financed by such Series of Bonds, which may include certain lands which are assessed to secure the Series 2012 Bonds. See, "BONDOWNERS' RISKS" herein.

THE SERIES 2012 ASSESSMENTS

General

Chapter 190, Florida Statutes provides that the Series 2012 Assessments constitute a lien on the real property in the Districts coequal with all State, County, school district and municipal

taxes, superior in dignity to all other liens, titles and claims on such real property. ALTHOUGH THE LIEN AND THE PROCEEDS OF THE SERIES 2012 ASSESSMENTS WILL SECURE THE SERIES 2012 BONDS, AND SAID LIEN AND PROCEEDS OF THE SERIES 2012 ASSESSMENTS ARE PLEDGED EXCLUSIVELY TO THE SERIES 2012 BONDS, THE LIEN OF THE SERIES 2012 ASSESSMENTS MAY BE ON THE SAME PROPERTY AS, AND THEREFOR OVERLAP AND BE CO-EQUAL WITH, THE LIENS IN FAVOR OF OTHER ASSESSMENTS WHICH HAVE BEEN OR MAY BE IMPOSED BY THE APPLICABLE DISTRICT, COUNTY, CITY OR OTHER UNITS OF LOCAL GOVERNMENT HAVING ASSESSMENT POWERS WITHIN THE DISTRICT.

Structure of Series 2012 Assessments

The Series 2012 Assessments are payable in substantially equal annual installments of principal and interest over an approximately 19-year period. According to the Districts' Assessment Proceedings, a property owner may prepay the Series 2012 Assessments, in whole, at any time or in part one time by payment of an amount equal to the principal amount of such prepayment plus interest accrued at the interest rate on the bonds to which such special assessments are pledged to the first interest payment date which is more than 45 days prior to the date of such prepayment.

Enforcement and Collection of Assessments

The primary sources of payment for the Series 2012 Bonds are the Series 2012 Assessments imposed on each parcel of benefited land within the Districts pursuant to the Assessment Proceedings. To the extent that landowners fail to pay such Series 2012 Assessments, delay payments, or are unable to pay the same, the prompt and successful pursuance of collection procedures available to the Districts will be essential to continued payment of principal and of interest of the Series 2012 Bonds. The Act provides for various methods of enforcing the collection of Delinquent 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.

If the owner of any lot or parcel of land shall be delinquent in the payment of any Series 2012 Assessments, then the Series 2012 Assessments will be enforced in accordance with the provisions of Chapter 190, Florida Statutes, or collected pursuant to the provisions of Chapters 170 or 197, Florida Statutes, including but not limited to the sale of tax certificates and tax deed as regards such Delinquent Assessment. In the event the uniform method of collection under Chapter 197, Florida Statutes, are inapplicable, then upon the delinquency of any Series 2012 Assessments, the applicable District, either on its own behalf, or through the actions of the Trustee, may, proceed under Chapter 170 and declare the entire unpaid balance of such Series 2012 Assessment to be in default and, at its own expense, cause such delinquent property to be foreclosed in the same method now or hereafter provided by law for the foreclosure of mortgages on real estate, or pursuant to the provisions of Chapter 173, and Sections 190.026 and 170.10, Florida Statutes, or otherwise as provided by law. The Districts further covenant to furnish, at its expense, to any Owner of Series 2012 Bonds so requesting, sixty (60) days after the due date of each annual installment, a list of all Delinquent Assessments together with a copy of the District's annual audit, and a list of foreclosure actions currently in progress and the current status of such Delinquent Assessments.

The Districts are presently using and intend annually to take such actions as are required to effectuate the collections of Series 2012 Assessments under the uniform method of collection provided by Sections 197.3631, 197.3632 and 197.3635, Florida Statutes, pursuant to which the District must certify to the Collier County Tax Collector (the "Collier Tax Collector") and the North District must certify to the Lee County Tax Collector (the "Lee Tax Collector"). However, the Districts may pursue collection and enforcement of Series 2012 Assessments, in the event the uniform method is inapplicable or unavailable, by such methods as it deems in the applicable District's best interest and as may be available under Florida law.

The District has covenanted in the Series 2012 Indenture and the North District has covenanted in the Interlocal Agreement to assess, levy, collect or cause to be collected and enforce the payment of Series 2012 Assessments and/or any other sources which constitute Pledged Revenues for the payment of the Series 2012 Bonds in the manner prescribed by the Series 2012 Indenture and all resolutions, ordinances or laws thereunto appertaining at times and in amounts as shall be necessary in order to pay, when due, the principal of and interest on the Series 2012 Bonds to which such Pledged Revenues are pledged; and to pay or cause to be paid the proceeds of Series 2012 Assessments as received to the Trustee in accordance with the provisions of the Series 2012 Indenture and the Interlocal Agreement.

THERE CAN BE NO ASSURANCE THAT ANY 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.

The Assessment Resolutions have been or will be adopted and adjusted by the Districts. The uniform method of collection permits up to a 4% discount for early payment of Series 2012 Assessments and the Series 2012 Assessment amounts. With regard to the Mediterra South Assessments, the Collier Tax Collector and Collier County Property Appraiser each charge for billing and collecting the Mediterra South Assessments, estimated to be 2% for the Collier Tax Collector and 1.5% for the Collier County Property Appraiser. With regard to the Mediterra North Assessments, the Lee Tax Collector and Lee County Property Appraiser each charge for billing and collecting the Mediterra North Assessments, estimated to be \$1.50 per parcel.

The determination, order, levy and collection of the Series 2012 Assessments must be done in compliance with procedural requirements and guidelines provided by law. Failure by the Districts, the applicable Tax Collector or the applicable Property Appraiser to comply with such requirements could result in delays in the collection of, or the complete inability to collect, annual installments of Series 2012 Assessments during any year pursuant to the uniform method. Such delays in the collection of, or complete inability to collect, annual installments of Series 2012 Assessments pursuant to the uniform method or any other method could have a material adverse effect on the ability of the District to make full or punctual payment of debt service on the Series 2012 Bonds. (See "BONDOWNERS' RISKS" herein.)

Pursuant to the uniform method of collection, the Tax Collector will include on the tax notice issued pursuant to Section 197.3632, Florida Statutes, the dollar amount of the Series 2012 Assessments so certified. The Districts have each entered into written agreements with the Property Appraiser and Tax Collector applicable to its District in accordance with Section 197.3632(2), Florida Statutes, in order to permit the Series 2012 Assessments to be billed and collected by the applicable Tax Collector pursuant to Section 197.3632, Florida Statutes.

Special assessments such as the Series 2012 Assessments are a lien on the land against which they are assessed from January 1 of the year the special assessment was levied until paid or barred by operation of law. The lien of the Series 2012 Assessments is of equal dignity with the liens for state and county taxes upon land, and thus is a first lien, superior to all other liens, including mortgages (except for state and county taxes and other taxes which are of equal dignity). The Tax Collector is to bill such taxes together with all other county taxes and the respective District's special assessments, and landowners in the respective District are required to pay all such taxes and special assessments without preference in payment of any particular increment of the tax bill, such as the increment owing for the Series 2012 Assessments. Upon receipt by the Tax Collector of the Series 2012 Assessments, moneys therefrom will be deposited as provided in the Series 2012 Indenture.

All county, school and special district taxes, special assessments and voter-approved ad valorem taxes levied to pay principal of and interest on bonds, including the Series 2012 Assessments levied by the Districts to pay principal and interest on the Series 2012 Bonds, are payable at one time, except for partial payment schedules as may be provided by Sections 197.374 and 197.222, Florida Statutes. Partial payments made pursuant to Sections 197.374 and 197.222, Florida Statutes, are distributed in equal proportion to all taxing districts and levying authorities applicable to that account. A taxpayer cannot designate specific line items on his or her tax bill as deemed paid in full. In such cases, the Tax Collector does not accept such partial payment and the partial payment is returned to the taxpayer. Therefore, any failure to pay any one line item, whether it be the Series 2012 Assessments or not, would cause the Series 2012 Assessments collected by this method to not be collected, which would have a significant adverse effect on the ability of the District to make full or punctual payment of debt service on the Series 2012 Bonds.

Florida law provides that, subject to certain conditions, special assessments such as the Series 2012 Assessments may be collected in the same manner as county ad valorem taxes. County ad valorem taxes for each year and non-ad valorem assessments billed by the Tax Collector are payable during the period commencing November 1 of such year and ending March 30 of the following year. If the amounts on the tax notice (including the annual installments of Series 2012 Assessments) are paid during the November following the billing or during the succeeding three months, the taxpayer is granted a discount equal to four percent (4%) in November and decreasing one percent (1%) per month to one percent (1%) in February. All unpaid taxes become delinquent on April 1 of the year following the November in which they are billed. Commencing on April 1, delinquent real property taxes are subject to interest at the rate of eighteen percent (18%) per year, calculated monthly (one and one-half percent (1.5%) per month) from the date of delinquency until a tax certificate is sold, except that a minimum charge for delinquent taxes prior to the sale of a tax certificate is three percent (3%). A tax certificate does not bear interest during the 60 day period of time following the date of delinquency, except for the three percent (3%) mandatory charge. When issued, tax certificates will bear interest at the lowest interest rate bid (not to exceed 18% per annum). Delinquent taxes may be paid at any time before a tax certificate is sold by payment of all taxes, tax collector's costs, advertising charges and interest as provided in Section 197.402, Florida Statutes. Delay in the mailing of tax notices to taxpayers may result in a delay throughout this process.

Pursuant to Section 197.374, Florida Statutes, taxpayers may elect to pay estimated taxes, including the Series 2012 Assessments, in quarterly payments on June 30, September 30,

December 31 of the year levied and March 31 of the year following. The first three payments receive discounts of 6%, 4.5% and 3% respectively.

Certain taxpayers that are entitled to claim homestead tax exemption under Section 196.031(1), Florida Statutes, may defer payment of a portion of the Series 2012 Assessments and interest accumulated on a tax certificate. The amount of ad valorem taxes and non-ad valorem assessments which may be deferred is limited to an amount which exceeds 5% of the applicant's household income for the prior calendar year so long as the applicant is younger than 65 years old and 3% if the applicant is 65 years old or older; provided that applicants with a household income for the previous calendar year of less than \$10,000, or less than the designated amount for the additional homestead exemption under Section 196,075, Florida Statutes, and the applicant is 65 years old or older, may defer the taxes and assessments in their entirety. Any such deferred taxes and assessments bear interest at a variable rate not to exceed 7%.

Collection of delinquent taxes is, in essence, based upon the sale by the applicable Tax Collector of "tax certificates" on the assessed parcel and the remittance to the applicable District of the proceeds of such sale. In the event of a delinquency in the payment of taxes, the landowner may, prior to the sale of tax certificates, pay delinquent taxes plus an interest charge of up to eighteen percent (18%) per annum on the amount of delinquent taxes. If the landowner does not act, the Tax Collector is required to sell a tax certificate to the person who pays the taxes owing and interest and penalties thereon and certain costs, and who accepts the lowest interest rate (not to exceed 18% per annum) to be borne by the certificate. If there are no bidders, the applicable County is to hold, but not pay for, tax certificates with respect to the property, bearing interest at the maximum legal rate of interest. 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 eighteen percent (18%) per annum and a fee. The demand for such certificates is dependent upon various factors which include the interest (and the rate thereof) which can be earned by ownership of such certificates and the value of the land which is the subject of such certificates (which may be subject to sale after 2 years at the demand of the certificate holder). The underlying market value of the property in the respective District should determine the demand for such property and the expectation of successful collection of delinquent annual installments of Series 2012 Assessments thereon which are the source of payment of the Series 2012 Bonds.

Any tax certificate in the hands of a person other than the applicable County may be redeemed and canceled by anyone prior to the time a tax deed is issued or the property is placed on the list of lands available for sale. The person effecting such redemption must pay the face amount of the certificate and interest at the rate borne by the certificate plus costs and other charges. When a tax certificate is redeemed and the interest earned on the tax certificate is less than five percent (5%) of the face amount of the certificate, a mandatory minimum interest of an absolute five percent (5%) is levied upon the face value of the tax certificate. The person redeeming the tax certificate must pay the interest rate due on the certificate or the five percent (5%) mandatory minimum interest, whichever is greater. The mandatory minimum interest provision applies to all county-held tax certificates and all individual tax certificates except those with an interest rate bid of zero percent (0%). 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 applicable County is effected by purchase of such certificates from the County, as described below.

The private holder of a tax certificate that has not been redeemed has seven years from the date of issuance of the tax certificate in which to act against the property. After an initial period of two years from April 1 of the year of issuance of the tax certificate has passed, during which time action against the land is held in abeyance to allow for sales and redemptions of tax sales certificates, such holders may apply for a tax deed. The applicant is required to pay the Tax Collector all amounts required to redeem all other outstanding tax certificates covering the land, any omitted taxes or delinquent taxes, current taxes, if due, and interest. Thereafter, the property is advertised for public sale.

In any such public sale by the Clerk of the Court of the applicable County (the "Clerk"), 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, and charges for cost of sale, redemption of other tax sales certificates on the land, and the amounts paid by such holder in applying for the tax deed, plus interest thereon. In the case of homestead property, the minimum bid must include, in addition to the amount of money required for the opening bid on non-homestead property, an amount equal to one-half of the 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 bidders, 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 sale 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 he or she is the successful bidder. Excess proceeds are distributed first to satisfy governmental liens against the property and then to the former title holder of the property (less service charges), lien holders of record, mortgagees of record, vendees of recorded contracts for deeds, other lien holders and persons to whom the land was assessed on the tax roll for the year in which the land was last assessed, all as their interests may appear.

If the County holds a tax certificate and has not succeeded in selling it, the County may apply for a tax deed after the County's ownership of such certificate for two years. The County pays costs and fees to the Tax Collector but not any amount to redeem other outstanding certificates covering the land. The public bidding on non-homestead property must start at a minimum bid equal to the value of all outstanding certificates, plus omitted years' taxes, delinquent taxes, interest and all costs and fees paid by the County. The minimum bid on homestead property must also include an amount equal to one-half of the latest assessed value of the homestead. If there are no bidders, the County may purchase the land for the opening minimum bid. After ninety days, any person or governmental unit may purchase the land without further notice or advertising by paying the opening minimum bid to the County. Taxes and any non ad valorem special assessments accruing after the date of public sale do not require repetition of this process, but are added to the required minimum bid. Three years after the date of public sale, unsold lands escheat to the County and all tax certificates and liens against the property will be canceled and the Clerk will execute a tax deed vesting title in the County.

If any tax certificates relating to Delinquent Assessments which are pledged to the Series 2012 Bonds are sold by the Tax Collector pursuant to the provisions of Section 197.432, Florida Statutes, or if any such tax certificates are not sold but are later redeemed, the proceeds of such sale or redemption (to the extent that such proceeds relate to the Series 2012 Assessments), less any commission or other charges retained by the Tax Collector, shall, if paid by the Tax Collector to the District or the North District, be paid by the applicable District to the Trustee

not later than one (1) Business Day following receipt of such proceeds by the applicable District and shall be deposited by the Trustee to the credit of the Series 2012 Revenue Account.

In the event the uniform method of collection is not available to the Districts and the applicable District elects to proceed under Chapter 170, if any property shall be offered for sale for the nonpayment of any Series 2012 Assessment and no person or persons shall purchase such property for an amount equal to the full amount due on the Series 2012 Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the property shall then be purchased by the District or the North District, as applicable, for an amount equal to the balance due on the Series 2012 Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), from any legally available funds of the applicable District and the District or North District, as applicable, shall receive in its corporate name title to the property for the benefit of the Owners of the Series 2012 Bonds. The Districts, either through their own actions, or actions the Districts cause 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 2012 Revenue Account. Not less than ten (10) days prior to the filing of any foreclosure action as provided in the Series 2012 Indenture, the District shall cause written notice thereof to be mailed to any designated agents of the Owners of the Series 2012 Bonds. Not less than thirty (30) days prior to the proposed sale of any lot or tract of land acquired by foreclosure by the District or the North District, as applicable, it shall give written notice thereof to such representatives. The Districts, either through their own actions, or actions the Districts cause to be taken through the Trustee, agree that it shall be required to take the measures provided by law for sale of property acquired by it as trustee for the Owners of Series 2012 Bonds within thirty (30) days after the receipt of the request therefor signed by the Trustee or the Majority Owners.

Neither the Districts nor the Underwriter can give any assurance to the holders of the Series 2012 Bonds (1) that the past experience of either Collier County or Lee County with regard to tax and special assessment delinquencies is applicable in any way to the Series 2012 Assessments, (2) that future landowners and taxpayers in the Districts will pay such Series 2012 Assessments, (3) that a market may exist in the future for the aforementioned tax certificates in the event of sale of such certificates for taxable units within the Districts, and (4) that eventual sale of tax certificates for real property within the Districts, if any, will be for an amount sufficient to pay amounts due under the Series 2012 Indenture to discharge the lien of Series 2012 Assessments and all other liens that are coequal therewith.

Prepayment

Pursuant to the terms of the Act and the corresponding assessment proceedings relating to the Series 2012 Bonds, the owner of property subject to Series 2012 Assessments may prepay the Series 2012 Assessments in whole at any time or in part one time by payment of an amount equal to the principal amount of such prepayment plus interest accrued at the interest rate on the bonds to which such special assessments are pledged to the first interest payment date which is more than 45 days prior to the date of such prepayment.

The Series 2012 Bonds are subject to extraordinary mandatory redemption as indicated under "DESCRIPTION OF THE SERIES 2012 BONDS - Redemption Provisions," from such Prepayments at the redemption price of par plus accrued interest to the date of such redemption. The prepayment of installments of Series 2012 Assessments does not entitle the owner of the property to a discount for early payment.

ESTIMATED SOURCES AND USES OF BOND PROCEEDS

Sources:

Par Amount of Series 2012 Bonds	\$13,455,000.00
Less: Original Issue Discount	(11,468.60)
Funds from the 1999 South Indenture	491,123.29
Funds from the 2001 South Indenture	497,738.21
Funds from the 2001 North Indenture	<u>705,269.04</u>
Total Sources	\$15,137,661.94

Uses:

Deposit to Escrow Deposit Trust Fund (South Escrow Agreement)	\$7,612,916.64
Deposit to Escrow Deposit Trust Fund (North Escrow Agreement)	6,078,488.61
Deposit to Series 2012 Revenue Account to pay interest due on 11/01/2012	275,037.11
Deposit to Series 2012 Reserve Account	813,661.88
Deposit to Series 2012 Costs of Issuance Account	155,732.70
Underwriter's Discount	<u>201,825.00</u>
Total Uses	\$15,137,661.94

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The following table sets forth the scheduled debt service on the Series 2012 Bonds:

DEBT SERVICE REQUIREMENTS

<u>Period Ending November 1,</u>	<u>Series 2012 North Principal</u>	<u>Series 2012 North Interest</u>	<u>Series 2012 South Principal</u>	<u>Series 2012 South Interest</u>	<u>Total Series 2012 Debt Service</u>
2012		\$ 123,185.64		\$ 151,851.47	\$ 275,037.11
2013	\$ 215,000	267,827.50	\$ 265,000	330,152.50	1,077,980.00
2014	220,000	262,057.50	275,000	322,985.00	1,080,042.50
2015	230,000	255,302.50	285,000	314,580.00	1,084,882.50
2016	235,000	247,742.50	295,000	305,147.50	1,082,890.00
2017	245,000	239,337.50	305,000	294,642.50	1,083,980.00
2018	255,000	230,082.50	310,000	283,262.50	1,078,345.00
2019	265,000	219,937.50	325,000	270,872.50	1,080,810.00
2020	275,000	208,862.50	340,000	257,232.50	1,081,095.00
2021	290,000	196,707.50	355,000	242,282.50	1,083,990.00
2022	300,000	183,577.50	370,000	226,147.50	1,079,725.00
2023	315,000	169,503.75	385,000	208,871.25	1,078,375.00
2024	330,000	153,765.00	405,000	189,592.50	1,078,357.50
2025	350,000	136,425.00	430,000	168,300.00	1,084,725.00
2026	365,000	118,192.50	450,000	145,860.00	1,079,052.50
2027	385,000	99,067.50	475,000	122,272.50	1,081,340.00
2028	405,000	78,922.50	500,000	97,410.00	1,081,332.50
2029	425,000	57,757.50	525,000	71,272.50	1,079,030.00
2030	450,000	35,445.00	555,000	43,732.50	1,084,177.50
2031	<u>470,000</u>	<u>11,985.00</u>	<u>580,000</u>	<u>14,790.00</u>	<u>1,076,775.00</u>
TOTALS	\$6,025,000	\$3,295,684.39	\$7,430,000	\$4,061,257.72	\$20,811,942.11

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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 "THE SERIES 2012 ASSESSMENTS"; however, certain additional risks are associated with the Series 2012 Bonds offered hereby. This section does not purport to summarize all risks that may be associated with purchasing or owning the Series 2012 Bonds and prospective purchasers are advised to read this Official Statement including all appendices hereto in its entirety to identify investment considerations relating to the Series 2012 Bonds.

I. In the event of the institution of bankruptcy or similar proceedings with respect to an owner of real property within the Series 2012 Assessment Area, delays could occur in the payment of debt service on the Series 2012 Bonds as such bankruptcy could negatively impact the ability of: (i) the landowner being able to pay the Series 2012 Assessments; (ii) the Districts to foreclose the lien on the Series 2012 Assessments if tax certificates are not sold, and (iii) Collier County or Lee County, as applicable, to sell tax certificates in relating to such property. In addition, the remedies available to the Beneficial Owners of the Series 2012 Bonds upon an Event of Default under the Series 2012 Indenture, is in many respects dependent upon judicial actions which are often subject to discretion and delay. The various legal opinions to be delivered concurrently with the delivery of the Series 2012 Bonds (including Bond Counsel's approving opinion) will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. The inability, either partially or fully, to enforce remedies available respecting the Series 2012 Bonds could have a material adverse impact on the interest of the Beneficial Owners thereof.

II. The Districts are required to comply with statutory procedures in levying the Series 2012 Assessments. Failure of the Districts to follow these procedures could result in the Series 2012 Assessments not being timely levied or potential future challenges to such levy. See "SECURITY FOR AND SOURCE OF PAYMENT OF BONDS" herein.

III. The principal security for the payment of the principal and interest on the Series 2012 Bonds is the timely collection of the Series 2012 Assessments. Series 2012 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 2012 Assessments or that they will pay such Series 2012 Assessments even though financially able to do so. Beyond legal delays that could result from bankruptcy, the ability of Collier County or Lee County, as applicable, 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.

IV. From roughly 2006 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.

V. The District has not granted, and may not grant under Florida law, a mortgage or security interest in the 1999 South Project or the 2001 South Project. Neither has the District covenanted to establish rates, fees and charges for the 1999 South Project or 2001 South Project at any specified levels. The North District has not granted, and may not grant under Florida law, a mortgage or security interest in the 2001 North Project. Neither has the North District covenanted to establish rates, fees and charges for the 2001 North Project at any specified levels. The Series 2012 Bonds are payable solely from, and secured solely by, the Series 2012 Assessments.

VI. The willingness and/or ability of an owner of land within the Development to pay the Series 2012 Assessments could be affected by the existence of other taxes and assessments imposed upon the property by the District or the North District, as applicable, Collier County or Lee County, as applicable, or other governmental entities with jurisdiction over the Districts. Public entities whose boundaries overlap those of the 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 2012 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 2012 Assessments, would cause the Series 2012 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 2012 Bonds. Public entities whose boundaries overlap those of the Districts could, without the consent of the owners of the land within the District, impose additional taxes or assessments on the property within the Districts. As referenced herein, the Districts may also impose additional assessments which could encumber the property burdened by the Series 2012 Assessments.

VII. Florida law provides a procedure whereby a taxpayer may contest a "tax assessment." It is unclear whether this procedure applies to non ad valorem assessments such as the Series 2012 Assessments and there are judicial decisions that support both views. Under the procedure, a taxpayer may bring suit to contest a "tax assessment" if the taxpayer pays the amount of "tax" that the taxpayer admits to owing, and upon the making of such payment, all procedures for the collection of the unpaid taxes are suspended until the suit is resolved. If it is determined that the procedure applies to non ad valorem assessments such as the Series 2012 Assessments, then it is possible that as a result of a challenge to such assessments, the collection procedures described above under the caption "SECURITY FOR AND SOURCE OF PAYMENT OF BONDS – Enforcement and Collection of Series 2012 Assessments" could be held in abeyance until the challenge is resolved. This would result in a delay in the collection of the Series 2012 Assessments which could have a material and adverse affect upon the ability of the District to timely pay debt service on the Series 2012 Bonds.

VIII. The Series 2012 Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Series 2012 Bonds in the event an Owner thereof determines to solicit purchasers of the Series 2012 Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Series 2012 Bonds may be sold. Such price may be lower than that paid by the current Owner of the Series 2012 Bonds, depending on the progress of the Development, existing market conditions and other factors.

IX. The Series 2012 Indenture does not provide for any adjustment to the interest rate(s) borne by the Series 2012 Bonds in the event of a change in the tax-exempt status of the Series 2012 Bonds. Such a change could occur as a result of the District's failure to comply with tax covenants contained in the Series 2012 Indenture or due to a change in the United States income tax laws.

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 2012 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 to the Series 2012 Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2012 Bonds and their market value. No assurance can be given that legislative proposals will not be enacted that would apply to, or have an adverse effect upon, the Series 2012 Bonds. For example, in connection with federal deficit reduction, job creation and tax law reform efforts, proposals have been made and others are likely to be made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Series 2012 Bonds. There can be no assurance that any such legislation or proposal will be enacted, and if enacted, what form it may take. The introduction or enactment of any such legislative proposals may affect, perhaps significantly, the market price for, or marketability of the Series 2012 Bonds.

X. Prospective Bondholders should note that although the Series 2012 Indenture contains a Series 2012 Reserve Account Requirement for the Series 2012 Reserve Account securing the Series 2012 Bonds and a corresponding obligation on the part of the District to replenish the Series 2012 Reserve Account to the Series 2012 Reserve Account Requirement, if in fact that account is drawn upon for any purpose, the Districts do not have a designated revenue source for replenishing such account. Moreover, the Districts will not be permitted to re-assess real property then burdened by the Series 2012 Assessments in order to provide for the replenishment of the Series 2012 Reserve Account.

XI. The Districts may also issue Bonds under the Master Indenture or the North Master Indenture, as applicable, or under another indenture for purposes permitted by the Act which are secured by special assessments levied on the same lands in the Development subject to the Series 2012 Assessments.

This section does not purport to summarize all risks that may be associated with purchasing or owning the Series 2012 Bonds and prospective purchasers are advised to read this Official Statement in its entirety, to visit the District and/or the North District and to ask questions of representatives of the District and/or the North District to obtain a more complete description of investment considerations relating to the Series 2012 Bonds.

TAX EXEMPTION

Opinion of Bond Counsel

In the opinion of Bond Counsel, the form of which is included as APPENDIX D hereto, the interest on the Series 2012 Bonds is excludable from gross income and is not a specific item of tax preference for federal income tax purposes under existing statutes, regulations, rulings and court decisions. However, interest on the Series 2012 Bonds is taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax imposed on corporations pursuant to the Internal Revenue Code of 1986, as amended (the "Code"). Failure by the District to comply subsequently to the issuance of the Series 2012 Bonds with certain requirements of the Code, regarding the use, expenditure and investment of bond proceeds and the timely payment of certain investment earnings to the Treasury of the United States, may cause interest on the Series 2012 Bonds to become includable in gross income for federal income tax purposes retroactive to their date of issue. The District has covenanted in the Series 2012 Indenture to comply with all provisions of the Code necessary to, among other things, maintain the exclusion from gross income of interest on the Series 2012 Bonds for purposes of federal income taxation. In rendering this opinion, Bond Counsel has assumed continuing compliance with such covenants.

Internal Revenue Code of 1986

The Code contains a number of provisions that apply to the Series 2012 Bonds, including, among other things, restrictions relating to the use of investment of the proceeds of the Series 2012 Bonds and the payment of certain arbitrage earnings in excess of the "yield" on the Series 2012 Bonds to the Treasury of the United States. Noncompliance with such provisions may result in interest on the Series 2012 Bonds being included in gross income for federal income tax purposes retroactive to their date of issue.

Collateral Tax Consequences

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of, the Series 2012 Bonds. Prospective purchasers of the Series 2012 Bonds should be aware that the ownership of the Series 2012 Bonds may result in other collateral federal tax consequences. For example, ownership of the Series 2012 Bonds may result in collateral tax consequences to various types of corporations relating to (1) denial of interest deduction to purchase or carry such Series 2012, (2) the branch profits tax, and (3) the inclusion of interest on the Series 2012 Bonds in passive income for certain Subchapter S corporations. In addition, the interest on the Series 2012 Bonds may be included in gross income by recipients of certain Social Security and Railroad Retirement benefits.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2012 BONDS, AS THE CASE MAY BE, AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL OR CORPORATE BONDHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE BONDHOLDERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

Other Tax Matters

Interest on the Series 2012 Bonds may be subject to state or local income taxation under applicable state or local laws in other jurisdictions. Purchasers of the Series 2012 Bonds should consult their tax advisors as to the income tax status of interest on the Series 2012 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 2012 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 to the Series 2012 Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2012 Bonds and their market value. No assurance can be given that additional legislative proposals will not be introduced or enacted that would or might apply to, or have an adverse effect upon, the Series 2012 Bonds.

Tax Treatment of Original Issue Discount

Bond Counsel is further of the opinion that the difference between the principal amount of the Series 2012 Bonds maturing 2013 through and including 2023 (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 2012 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. Owners of the Discount Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such 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.

RATING

Standard & Poor's has assigned a rating of "BBB-" to the Series 2012 Bonds. Such rating reflects only the views of such organization and any desired explanation of the significance of such rating should be obtained from the rating agency furnishing the same, at the following address: 55 Water Street, 38th Floor, New York, New York 11238. Generally, a rating agency

bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such rating will continue for any given period of time or that such rating will not be revised downward or withdrawn entirely by the rating agency, if circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Series 2012 Bonds.

VALIDATION

The Districts' authority to issue Bonds such as the Series 2012 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 2012 Bonds, or any proceedings or transactions relating to their issuance, sale, execution, or delivery, or the execution of the Series 2012 Indenture or the Interlocal Agreement. 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.

There is no pending or, to the knowledge of the North District, any threatened litigation against the North District of any nature whatsoever which in any way questions or affects the execution of the Interlocal Agreement.

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 2012 Trust Estate or the ability of the District to pay the Series 2012 Bonds from the Series 2012 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 1999 South 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 2012 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 2012 Bonds remain outstanding under the Series 2012 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 2012 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 1999 South 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 2012 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 2012 Bonds from the District at a purchase price of \$13,241,706.40 (including Underwriters' discount of \$201,825.00 and an original issue discount of \$11,468.60). 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 2012 Bonds if any are purchased.

The Underwriters intend to offer the Series 2012 Bonds to investors at the offering prices set forth on the cover page of this Official Statement, which may subsequently change without prior notice. The Underwriters may offer and sell the Series 2012 Bonds to certain dealers (including dealers depositing the Series 2012 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 2012 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 Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, as to the validity of the Series 2012 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, Bryant Miller Olive P.A., Orlando, Florida.

AGREEMENT BY THE STATE

Under the Act, the State of Florida pledges to the holders of any bonds issued thereunder, including the Series 2012 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-1. The audit report containing the audited financial statements of the North District for the fiscal year ended September 30, 2011 is attached hereto as APPENDIX B-2. Such statements speak only as of September 30, 2011. The consent of the District's and the North District's auditor to include in this Official Statement the aforementioned reports was not requested, and the general purpose financial statements of the District and the North 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 Official Statement 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 2012 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 Official Statement 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 2012 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 2012 Bonds.

MISCELLANEOUS

Any statements made in this Official Statement 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 Official Statement 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 2012 Bonds.

The information contained in this Official Statement has been compiled from official and other sources deemed to be reliable, and is believed to be correct as of the date of the Official Statement, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriter. The Underwriter listed on the cover page hereof has reviewed the information in this Official Statement 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 Underwriter does 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 Official Statement 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 Official Statement 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 2012 Bonds, deliver certificates to the effect that nothing has come to their attention that would lead them to believe that applicable portions of the Official Statement 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 Official Statement 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 Official Statement to the date of closing of the Series 2012 Bonds that there has been no material adverse change in the information provided.

Any statements made in this Official Statement 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 Official Statement 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 2012 Bonds.

This Official Statement 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 Official Statement and must be read in their entirety together with all foregoing statements.

**MEDITERRA SOUTH COMMUNITY
DEVELOPMENT DISTRICT**

By: /s/ Kenneth Nails
Its: Chair

**MEDITERRA NORTH COMMUNITY
DEVELOPMENT DISTRICT**

By: /s/ J. Gary Kaenzig, Jr.
Its: Chair