

Waterlefe CDD Disclosure Notice

December 1, 2015

The Waterlefe CDD has historically issued two different categories of bonds.

The first category of bonds were issued for the community infrastructure and are secured by annual assessments on certain homes and properties in the community and are payable on a property owner's tax bill. These bonds are current and assuming homeowners will continue to pay their tax bills, are anticipated to be paid timely through their maturity date.

The second category of bonds were revenue bonds issued for the purchase and construction of the Waterlefe golf course. These revenue bonds do not have an annual assessment. Originally, the developer of the community agreed to fund any deficiencies in the golf course revenues to pay the principal and interest payments on the revenue bonds. Upon the bankruptcy of the developer, various guarantees for payment of the revenue bonds were allowed by the Bankruptcy Court to be abandoned and the revenue bonds went into and remain in default. Any payment on the revenue bonds is payable solely from the revenues of the Waterlefe golf course.

Further information about the District can be found at www.waterlefecdd.org.