

**\$1,000,000**  
**GREATER LEESBURG COMMUNITY REDEVELOPMENT AGENCY**  
**REDEVELOPMENT REVENUE NOTE, SERIES 2015**  
**(THE "NOTE")**

**Listing of Closing Documents**  
**January 14, 2015**

1. Certified copy of City of Leesburg, Florida (the "City") Resolution No. 4994 and Ordinance No. 03-113 creating the Greater Leesburg Community Redevelopment Agency (the "Agency").
2. Certified copy of City Ordinance No. 96-30 creating the Redevelopment Trust Fund for the Agency.
3. Certified copy of Resolution No. 31 adopted by the Agency on January 12, 2015, without attachments.
4. Certified copy of Resolution No. 9533 adopted by the City on January 12, 2015, without attachments.
5. Interlocal Agreement dated as of January 14, 2015 between the Agency and the City.
6. Loan Agreement dated as of January 14, 2015, between the Agency and Citizens First Bank ("the Bank").
7. Incumbency Certificates.
8. Certificate as to Specimen Note.
9. Closing Certificate of the Agency and the City.
10. Acceptance of Duties of Registrar and Paying Agent.
11. Bank Qualified Certificate.
12. Signature Certificate.
13. Opinion and Reliance letter of Akerman LLP, Bond Counsel.
14. Opinion letter of McLin Burnsed P.A., Agency Counsel and City Attorney.
15. Purchaser's Certificate.
16. Internal Revenue Service Form 8038-G.
17. Certificate of Compliance with Chapter 215.84, Florida Statutes.
18. Truth-in-Bonding Statement.
19. Florida Statutes, Section 218.385(6) Disclosure Statement.
20. Federal Tax Certificate.

21. Division of Bond Finance Forms BF2003 and BF2004.
22. Certificate of Compliance with Florida Statute 189.4085.
23. Notice of Sale to Division of Bond Finance.
24. Cross Receipt.
25. Anti-Dilution Certificate.

Distribution:

- |  |                            |
|--|----------------------------|
| (1) City of Leesburg                                   | (1) Akerman LLP            |
| (1) Citizens First Bank                                | (1) McLin Burnsed P.A.     |
| (1) Public Financial Management, Inc.                  | (1) Potter Clement Lowndes |
| (1) Greater Leesburg Community<br>Redevelopment Agency |                            |

**CERTIFICATE REGARDING RESOLUTION NO. 4994 AND ORDINANCE NO. 03-113**

The undersigned, a duly appointed, qualified and acting City Clerk of the City of Leesburg, Florida (the "City"), and the keeper of the records of the City, HEREBY CERTIFIES that:

Attached hereto are copies of Resolution No. 4994 and Ordinance No. 03-113 of the City which were adopted at meetings of the City Commission duly called and held on May 28, 1996 and, November 7, 2003, respectively at which meetings a quorum was present and acting throughout, which resolution and ordinance have been compared by me with the originals thereof as recorded in the Minute Book of the City and that said resolution and ordinance attached hereto are true, complete and correct copies thereof, and said documents have been duly adopted and have not been repealed or amended and are in full force and effect on and as of the date hereof in the forms attached hereto.

IN WITNESS WHEREOF; I have hereunto set my hand and affixed the official seal of the City as of this 14<sup>th</sup> day of January, 2015.

**CITY OF LEESBURG, FLORIDA**

[SEAL]

  
City Clerk

**ORDINANCE NO. 03-113**

**AN ORDINANCE OF THE CITY OF LEESBURG, FLORIDA, AMENDING CHAPTER 2, ARTICLE IV, DIVISION 10 OF THE CODE OF ORDINANCES PERTAINING TO COMMUNITY REDEVELOPMENT AGENCIES, TO CLARIFY AND UPDATE PROVISIONS REGARDING THE GOVERNING BOARDS OF SUCH AGENCIES; REPEALING CONFLICTING ORDINANCES; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Leesburg is adopting a series of changes to Chapter 2, Article IV of its Code of Ordinances, pertaining to boards and commissions, to streamline and centralize provisions relating to all such bodies, and

**WHEREAS**, this revision has necessitated changes to other portions of the Code which govern individual boards or commissions, including but not limited to the governing boards of any community redevelopment agencies,

**NOW THEREFORE, BE IT ENACTED BY THE PEOPLE OF THE CITY OF LEESBURG, FLORIDA:**

**SECTION I.**

Chapter 2, Article IV, Division 10 of the Code of Ordinances is hereby amended to read as follows:

**DIVISION 10. COMMUNITY REDEVELOPMENT AGENCIES**

**Sec. 2-166 Greater Leesburg CRA Created**

There is hereby created, under the authority of F.S., Chapter 163, Part III, the Community Redevelopment Agency for the areas know as the Historic Downtown Business District and the Pine Street Area, together known as the Greater Leesburg Community Redevelopment Agency (referred to hereafter in this division as the agency).

#### **Sec. 2-167. Carver Heights and Vicinity CRA Created.**

There is hereby created, under the authority of F.S., Chapter 163, Part III, the community redevelopment agency for the Carver Heights/Montclair Area (referred to hereafter in this division as the "agency").

#### **Sec. 2-168. In general.**

There shall be seven (7) members of the governing body of an agency. Five (5) of the seven (7) members shall be the City Commissioners of the city lawfully serving in that capacity at any time while an agency remains an active entity. The other two (2) members of each governing body shall be chosen by the City Commission from members of the public who reside in, or engage in business within the boundaries of an Agency.

For those members of the governing body of an agency who are City Commissioners, that individual shall remain a member of the governing body of an agency for only so long as that individual continues to serve as a City Commissioner, and shall be succeeded as a member of the governing body of an agency for the remainder of the term by any person elected or appointed to fill position as a City Commissioner, with such successor to serve the balance of the term on the governing body of an agency. Members appointed or reappointed upon expiration of the terms of members whose terms expire less than four (4) years from the effective date of this resolution shall serve for terms of four (4) years. The chair of the governing body of an agency shall be the mayor of the city, and the vice chair shall be the mayor pro-tem.

### **SECTION II.**

If any portion of this ordinance is declared invalid or unenforceable, then to the extent it is possible to do so without destroying the overall intent and effect of this ordinance, the portion deemed invalid or unenforceable shall be severed herefrom and the remainder of this ordinance shall continue in full force and effect as if it were enacted without including the portion found to be invalid or unenforceable.

### **SECTION III.**

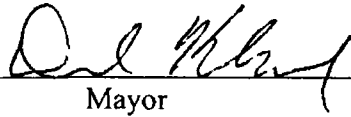
All ordinances or parts of ordinances which are in conflict with this ordinance are hereby repealed, to the extent necessary to alleviate the conflict, but shall continue in effect insofar as they are not in conflict herewith, unless repeal of the conflicting portion destroys the overall intent and effect of any of the conflicting ordinances, in which case those ordinances so affected shall be hereby repealed in their entirety.

**SECTION IV.**

This ordinance shall become effective upon its passage and adoption according to law.

**PASSED AND ADOPTED** at the regular meeting of the City Commission of the City of Leesburg, Florida, held on the 8 day of December, 2003.

THE CITY OF LEESBURG, FLORIDA

BY:   
Mayor

Attest:   
City Clerk

RESOLUTION NO. 4994

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF LEESBURG, FLORIDA, FINDING THE DOWNTOWN AREA TO BE A BLIGHTED AREA; FINDING THAT REHABILITATION, CONSERVATION OR REDEVELOPMENT OF THE AREA IS NECESSARY IN THE INTEREST OF THE HEALTH, SAFETY OR WELFARE OF THE RESIDENTS OF THE CITY; DECLARING THE CITY COMMISSION, WITH TWO ADDITIONAL CITIZEN MEMBERS, TO BE THE COMMUNITY REDEVELOPMENT AGENCY FOR THE AREA; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS,** the City Commission of the City of Leesburg is aware of a general decline in appearance and commercial viability in the downtown area of Leesburg, and wishes to utilize all available prudent measures to reverse the decline, and

**WHEREAS,** there is a necessity for redevelopment, conservation or rehabilitation in the area, according to the requirements of §163.355, Fla. Stat. (1995), and

**WHEREAS,** the City Commission of the City of Leesburg accepts the report of the study, attached hereto as Exhibit "A," finding the area to be a blighted area in need of redevelopment, rehabilitation and/or conservation, and

**WHEREAS,** the redevelopment area is defined as:

Starting at the point of intersection of the Northern boundary of the right of way of North Boulevard (U.S. Highway 441) and the Eastern boundary of the right of way of Dixie Avenue (State Road 44), proceed Southerly along the Eastern and Southern boundary of the right of way of Dixie Avenue to the point at which it intersects the West line of Government Lot 1, in Section 25, Township 19 South, Range 24 East, Lake County, Florida; thence depart the right of way of Dixie Avenue and run South along the West line of Government Lot 1 and the West line of the adjoining Government Lot 2 in the same section, township and range, to the waters of Lake Harris; thence proceed Westerly along and with the waters of Lake Harris to the West line of Government Lot 3 of the same section, township and range, thence proceed North along the West line of Government Lot 3 to the Northeast corner of Lot 11, Block 108, of East Leesburg Subdivision, according to the plat thereof recorded in Plat Book 1, Page 69, Public Records of Lake County, Florida; thence Westerly along the North line of said Lot 11 and the Northerly right of way of Clark Street (also known as Ruth Street) to the Westerly right of way of Lake Street; thence proceed North along the Westerly right of way of Lake Street for 850 feet; thence Westerly parallel with the Southerly right of way of Medical

Plaza Drive, and the extension thereof Easterly in straight line, to the waters of Lake Harris; thence proceed Northerly along and with the waters of Lake Harris to a point of intersection of said waters with the Easterly boundary of the Florida Department of Transportation water retention area which lies in the Northwest corner of the Southwest ¼ of said Section 25; thence proceed Northerly along the Easterly boundary of said retention area to the Southern boundary of the right of way of Dixie Avenue (State Road 44); thence Westerly along and with said right of way line to the West right of way line of 9th Street; thence proceed North along the West right of way line of 9th Street to the Southerly right of way line of the abandoned former right of way of the Atlantic Coast Line Railroad; thence proceed Westerly and Southerly along and with said Southerly boundary of the railroad right of way to its intersection with the Western boundary of the right of way of 14th Street (U.S. Highway 27); thence proceed Northerly along the Western right of way of 14th Street to its intersection with the Northern boundary of the right of way of High Street; thence Easterly along and with the Northern boundary of the right of way of High Street to its intersection with the Eastern right of way of 12th Street; proceed thence North along the Eastern right of way of 12th Street to its intersection with the North right of way of Herndon Street; thence East along the North right of way of Herndon Street to its intersection with the West right of way of Lee Street; thence North along the West right of way of Lee Street to its intersection with the North right of way of North Boulevard, thence Southeasterly along and with the North right of way of North Boulevard to its intersection with the Point of Beginning.

**WHEREAS**, the City Commission of the City of Leesburg, Florida, desires to exercise all authority conferred upon it by the 1969 Community Redevelopment Act, as currently amended and contained in Chapter 163, Part III, Fla. Stat. (1995);

**NOW THEREFORE**, be it resolved by the City Commission of the City of Leesburg, Florida:

**Section 1.** The report attached hereto as Exhibit "A" is hereby accepted as evidence of the presence of blight and the need for redevelopment, rehabilitation, and/or conservation in the area described above.

**Section 2.** The City Commission hereby appoints as the Community Redevelopment Agency, for the area described above, the present and future members of the Leesburg City Commission, together with two citizen members who are not commissioners, to be appointed by the City Commission, one of whom shall reside in, or engage in business in (as defined in §163.356(3)(b), Fla. Stat.) that portion of the area described above which lies East of Canal Street, and the other of whom shall reside in, or engage in business in (as defined in §163.356(3)(b), Fla. Stat.) that portion of the area described above which lies West of Canal Street. The two citizen members shall be identified specifically and formally appointed by subsequent resolution and until such time, the City Commission shall exercise all powers of the agency. This agency shall hold all



powers, duties, privileges, immunities and responsibilities conferred upon it by Chapter 163, Part III, Fla. Stat. (1995) and as thereafter amended.

**Section 3.** All resolutions or parts of resolutions heretofore passed or adopted, which are in conflict herewith, are hereby repealed to the extent of any such conflict.

**Section 4.** This resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED** by the City Commission of the City of Leesburg, Florida, at its regular meeting held on the 28th day of May, 1996.

THE CITY OF LEESBURG, FLORIDA

BY: William J. Polk  
David L. Connelly, Mayor Pro-Tem

Attest: Betty M. Richardson  
Betty M. Richardson,  
Assistant City Clerk

**CERTIFICATE**

The undersigned, Andi Purvis, the City Clerk of the City of Leesburg, Florida (the "City") hereby certifies that the attached copy of City Ordinance No. 96-30 was adopted at a meeting of the City Commission of the City duly called and held on August 26, 1996, at which meeting a quorum was present and acting throughout, and that said Ordinance is a true, complete and correct copy thereof, and said Ordinance had been duly enacted and has not been modified, changed or revoked and is in full force and effect on and as of the date hereof in the form attached hereto.

**IN WITNESS WHEREOF**, I have set my hand and affixed the official seal of the City of Leesburg, Florida as of this 14<sup>th</sup> day of January, 2015.

**CITY OF LEESBURG, FLORIDA**

By: Julie Purvis  
City Clerk

[SEAL]

CITY OF LEESBURG, FLORIDA, ORDINANCE NO. 96-30

AN ORDINANCE OF THE CITY COMMISSION OF LEESBURG, FLORIDA, PROVIDING FOR FINDINGS OF FACT; PROVIDING FOR THE ESTABLISHMENT AND ADMINISTRATION OF A COMMUNITY REDEVELOPMENT TRUST FUND; PROVIDING FOR THE DESIGNATION OF THE COMMUNITY REDEVELOPMENT TRUST FUND AS THE RECIPIENT OF FUNDS PURSUANT TO SECTION 163.387, FLORIDA STATUTES; PROVIDING FOR ENFORCEMENT; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Commission of the City of Leesburg has by Resolution established a finding of blight; and,

WHEREAS, the City Commission desires to provide for the removal of such blighted areas and redevelop such areas, pursuant to the Community Redevelopment Act of 1969, hereafter referred to as the "CRA", as contained in Florida Statutes, Chapter 163, Part III, and,

WHEREAS, the City Commission has, by Resolution approved a Community Redevelopment Plan for the City.

BE IT ENACTED BY THE PEOPLE OF THE CITY OF LEESBURG, FLORIDA:

Section 1. There is hereby established and created, in accordance with the provisions of Section 163.387, Florida Statutes, a Community Redevelopment Trust Fund, hereafter referred to as the "Fund".

Section 2. The monies allocated to and deposited into the Fund are hereby appropriated to the City of Leesburg Community Redevelopment Agency, hereafter referred to as the "Agency", to finance projects within the Community Redevelopment Project Area, hereafter referred to as the "Project". The Agency shall utilize the monies and the revenue paid into and earned by the Fund for all and every Community development purpose delegated to it by the established Community Redevelopment Plan, hereafter referred to as the "Plan", and as further provided by law. The Fund

is to exist for the duration of the Project programs or until legally terminated by ordinance. Said monies shall be held by the City for and on behalf of the Agency and distributed to the Agency in accordance with a subsequent agreement to be established between the City and the Agency.

Section 3. There shall be paid into the Fund each year by all taxing authorities within the Project, excluding the school district, the incremental increase in ad valorem taxes levied each year by the above-referenced taxing authorities over the amount of ad valorem taxes levied by the referenced taxing authorities in the base year, as established in Section 5 below.

Section 4. The tax roll used in connection with the taxation of such property for the base year shall be the Tax Roll of 1995 in Lake County. All deposits into the Fund shall begin with the incremental increases in ad valorem tax revenues billed after November 1, 199<sup>6</sup>.

Section 5. The tax increment shall be determined and appropriated annually in an amount equal to the difference between:

a. that amount of ad valorem taxes levied each year by all taxing authorities, excluding the school district, on taxable real property contained within the geographic boundaries of the Project; and,

b. that amount of ad valorem taxes which would have been produced by the rate upon which the tax is levied each year by or for all taxing authorities, excluding the school district, upon the total of the assessed value of the taxable property in the Project, as shown upon the 1995 assessment roll used in connection with the taxation of such property by all taxing authorities, excluding the school district. If any conflict occurs between the provisions of this Ordinance and the provisions of Chapter 163, Part III, Florida Statutes, concerning tax increment financing, the statutory provisions shall control and apply to this Ordinance.

Section 6. The tax increment shall be computed by using the assessed value of taxable

property in the Project for the year 1995 as the base, and in subsequent years using the assessment value of property in the Project for that year as the second factor in determining the amount of tax increment in that year.

Section 7. All taxing authorities, excluding the school district, will annually appropriate to the Fund the aforestated sum at the beginning of their fiscal year. The Fund shall receive the tax increment above described only as, if and when such taxes may be collected by the taxing authorities. The taxing authorities' obligation to annually appropriate to the Fund shall commence immediately upon the effective date of this Ordinance and continue until all loans, advances and indebtednesses, if any, and interest thereon, incurred by the Agency as a result of the Project have been paid and only to the extent that such tax increment recited above accrues.

Section 8. The Agency with the approval of the City Commission is directed to establish and set up the Fund and to develop and promulgate rules, regulations and criteria whereby the Fund may be promptly and effectively administered, including the establishment and the maintenance of books and records and adoption of procedures whereby the Agency may, expeditiously and without undue delay, utilize said monies for their allocated statutory purpose.

Section 9. The Agency accepts full responsibility for the receipt, custody, disbursement, accountability, management and proper application of all monies paid into the Fund subject to the provisions of Section 2 of this Ordinance.

Section 10. Any and all ordinances or parts of ordinances that are in conflict herewith are hereby repealed.

Section 11. If any part of this Ordinance is held to be invalid or unenforceable for any reason, such holding shall not affect the validity or enforceability of the remainder, which shall remain in full force and effect.

Section 12. This Ordinance shall take effect as provided by law.

PASSED AND DULY ADOPTED, this 26<sup>th</sup> day of August, 1996.

ATTEST:

James A. Williams  
Clerk/Deputy Clerk

William J. Polk  
Mayor Pro-Tem

**CERTIFICATE**

The undersigned, Andi Purvis, Secretary of the Greater Leesburg Community Redevelopment Agency (the "Agency") hereby certifies that the attached copy of Resolution No. 31 was adopted at a meeting of the Agency duly called and held on January 12, 2015, at which meeting a quorum was present and acting throughout, and that said Resolution is a true, complete and correct copy thereof, and said Resolution had been duly adopted and has not been modified, amended or revoked and is in full force and effect on and as of the date hereof in the form attached hereto.

**IN WITNESS WHEREOF**, I have set my hand as of this 14<sup>th</sup> day of January, 2015.

**GREATER LEESBURG COMMUNITY  
REDEVELOPMENT AGENCY**

By: Julie Purvis  
Secretary

RESOLUTION OF THE GREATER LEESBURG COMMUNITY REDEVELOPMENT AGENCY, ACCEPTING THE PROPOSAL OF CITIZENS FIRST BANK TO PURCHASE THE AGENCY \$1.0 MILLION REDEVELOPMENT REVENUE NOTE, SERIES 2015 TO PAY COSTS ASSOCIATED WITH COMMUNITY REDEVELOPMENT IN THE AGENCY'S COMMUNITY REDEVELOPMENT AREA (THE "PROJECT"); AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT WITH SAID BANK PURSUANT TO WHICH THE AGENCY WILL ISSUE A NOTE TO SECURE THE REPAYMENT OF SAID LOAN; PROVIDING FOR THE PAYMENT OF SUCH NOTE FROM INCREMENT REVENUES ALL AS PROVIDED IN THE LOAN AGREEMENT; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN INTERLOCAL AGREEMENT WITH THE CITY OF LEESBURG, FLORIDA PURSUANT TO WHICH THE CITY WILL COVENANT TO BUDGET AND APPROPRIATE NON-AD VALOREM REVENUES TO MAKE DEBT SERVICE PAYMENTS ON SAID NOTE TO THE EXTENT INCREMENT REVENUES ARE INSUFFICIENT THEREFOR; DESIGNATING SUCH NOTE AS A "QUALIFIED TAX-EXEMPT OBLIGATION" UNDER SECTION 265(B)(3)(B) OF THE INTERNAL REVENUE CODE OF 1986 AS AMENDED; AUTHORIZING THE PROPER OFFICIALS OF THE AGENCY TO DO ANY OTHER ADDITIONAL THINGS DEEMED NECESSARY OR ADVISABLE IN CONNECTION WITH THE EXECUTION OF THE LOAN AGREEMENT, THE NOTE, AND THE SECURITY THEREFOR; AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS IN CONNECTION WITH SAID LOAN; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF GREATER LEESBURG COMMUNITY REDEVELOPMENT AGENCY:

AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of Chapter 163, Part III, Florida Statutes (the "Act"), the Florida Constitution and other applicable provisions of law.

FINDINGS. It is hereby ascertained, determined and declared:



Greater Leesburg Community Redevelopment Agency, (the "Agency"), deems it necessary, desirable and in the best interests of the Agency and the City of Leesburg, Florida (the "City") and the residents thereof that the Agency finance certain of the Agency's costs of redevelopment (within the meaning of the Act) within the Agency's community redevelopment area (the "Project"), all as more particularly described in the Loan Agreement (as defined herein).

Following an rfp process, the Agency, with the advise of its financial advisor determined that the proposal of Citizens First Bank (the "Bank") to provide the Agency a loan in an amount of \$1,000,000 as provided in the 2015 Note (hereinafter defined) (the "Loan") the proceeds of which will be applied to finance the cost of the Project was in the best interest of the Agency.

The Loan will be secured by the Loan Agreement pursuant to which the Agency will issue its Redevelopment Revenue Note, Series 2015 (the "2015 Note") to secure the repayment of the Loan.

The Agency is advised that due to the present volatility of the market for municipal debt, it is in the best interest of the Agency to issue the 2015 Note pursuant to the Loan Agreement by negotiated sale allowing the Agency to issue the 2015 Note at the most advantageous time, rather than a specified advertised future date, thereby allowing the Agency to obtain the best possible price, interest rate and other terms for the 2015 Note and, accordingly, the members of the Agency hereby find and determine that it is in the best financial interest of the Agency that a negotiated sale of the 2015 Note to the Bank be authorized.

AUTHORIZATION OF FINANCING OF PROJECT. The Agency hereby authorizes the financing of the Project as more particularly described in the Loan Agreement.

ACCEPTANCE OF COMMITMENT LETTER WITH BANK. The Agency hereby accepts the commitment letter from the Bank dated November 20, 2014, as supplemented, to provide the Agency with the Loan.

APPROVAL OF FORM AND AUTHORIZATION OF LOAN AGREEMENT AND EXECUTION OF LOAN AGREEMENT AND 2015 NOTE. The Loan and the repayment of the Loan as evidenced by the 2015 Note shall be pursuant to the terms and provisions of the Loan Agreement and the 2015 Note. The Agency hereby approves the Loan Agreement in substantially the form attached hereto as Exhibit A and authorizes the Chairman or Vice Chairman of the Agency (collectively, the "Chairman") and the Secretary or any deputy or assistant secretary of the Agency (collectively, the "Secretary") to execute and deliver on behalf of the Agency the Loan Agreement by and between the Agency and the Bank substantially in the form attached hereto as Exhibit A (the "Loan Agreement") and the 2015 Note in substantially the form attached to the Loan Agreement, with such changes, insertions and additions as they may approve, their execution thereof being evidence of such approval.

PAYMENT OF DEBT SERVICE ON 2015 NOTE. Pursuant to the Loan Agreement, payment of debt service due on the 2015 Note will be paid from "Increment Revenues" as defined in the Loan Agreement. The 2015 Note will be additionally secured as provided in the Loan Agreement and other documentation associated with the issuance of the 2015 Note.

APPROVAL OF INTERLOCAL AGREEMENT AND AUTHORIZATION OF EXECUTION AND DELIVER THEREOF. The Interlocal Agreement between the City and the Agency pursuant to which, subject to certain limitations, the City will agree among other matters to budget and appropriate from Non-Ad Valorem Revenues (as defined therein) amounts sufficient to pay debt service on the 2015 Note to the extent the Increment Revenues are insufficient to make such payments is hereby approved in substantially the form attached hereto as Exhibit B. The Chairman and the Secretary are hereby authorized to execute the Interlocal Agreement in substantially the form attached hereto, with such changes, insertions and additions as they may approve, their execution thereof being evidence of such approval.

DESIGNATION OF 2015 NOTE AS BANK QUALIFIED. The Agency designates the 2015 Note as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The Agency does not reasonably anticipate that the Agency, any subordinate entities of the Agency, and issuers of debt that issue "on behalf" of the Agency will during the calendar year 2015 issue more than \$10,000,000 of "tax-exempt" obligations, exclusive of those obligations described in Section 265(b)(3)(C)(ii) of the Code.

AUTHORIZATION OF OTHER DOCUMENTS TO EFFECT TRANSACTION. To the extent that other documents, certificates, opinions, or items are needed to effect any of the transactions referenced in this Resolution, the Loan Agreement or the 2015 Note and the security therefore, the Chairman, the Secretary and the Agency's Attorney and Treasurer are hereby authorized to execute and deliver such documents, certificates, opinions, or other items and to take such other actions as are necessary for the full, punctual, and complete performance of the covenants, agreements, provisions, and other terms as are contained herein and in the documents included herein by reference.

PAYING AGENT AND REGISTRAR. The Agency hereby accepts the duties to serve as Registrar and Paying Agent for the 2015 Note.

LIMITED OBLIGATION. The obligation of the Agency to repay amounts under the Loan Agreement and the 2015 Note are limited and special obligations, and shall not be deemed a pledge of the faith and credit or taxing power of the State of Florida or any political subdivision thereof.


EFFECT OF PARTIAL INVALIDITY. If any one or more provisions of this Resolution, the Loan Agreement or the 2015 Note shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not effect any other provision of this Resolution, the Loan Agreement or the 2015 Note, but this Resolution, the Loan Agreement and the 2015 Note

shall be construed and enforced as if such illegal or invalid provision had not been contained therein. The 2015 Note and Loan Agreement shall be issued and this Resolution is adopted with the intent that the laws of the State of Florida shall govern their construction.

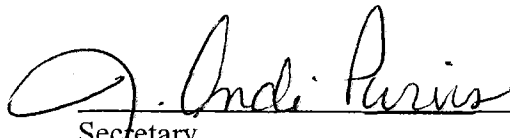
EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

**PASSED, APPROVED AND ADOPTED** this 12<sup>th</sup> day of January, 2015.

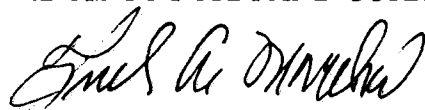
**GREATER LEESBURG COMMUNITY  
REDEVELOPMENT AGENCY**

By   
Chairman

ATTEST:

  
Secretary

APPROVED AS TO FORM AND CORRECTNESS:

  
Attorney

**CERTIFICATE**

The undersigned, Andi Purvis, the City Clerk of the City of Leesburg, Florida (the "City") hereby certifies that the attached copy of Resolution No. 9533 was adopted at a meeting of the City Commission of the City duly called and held on January 12, 2015, at which meeting a quorum was present and acting throughout, and that said Resolution is a true, complete and correct copy thereof, and said Resolution had been duly adopted and has not been modified, amended or revoked and is in full force and effect on and as of the date hereof in the form attached hereto.

**IN WITNESS WHEREOF**, I have set my hand and affixed the official seal of the City of Leesburg, Florida as of this 14<sup>th</sup> day of January, 2015.

**CITY OF LEESBURG, FLORIDA**

By: Andi Purvis  
City Clerk

[SEAL]

RESOLUTION NO. 9533

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF LEESBURG, FLORIDA, AUTHORIZING AND APPROVING THE ISSUANCE BY THE GREATER LEESBURG COMMUNITY REDEVELOPMENT AGENCY OF ITS \$1,000,000 PRINCIPAL AMOUNT OF REDEVELOPMENT REVENUE NOTE, SERIES 2015 IN ACCORDANCE WITH THE REQUIREMENTS OF CHAPTER 163, PART III, FLORIDA STATUTES, AS AMENDED; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN INTERLOCAL AGREEMENT WITH SAID COMMUNITY REDEVELOPMENT AGENCY PURSUANT TO WHICH THE CITY WILL COVENANT TO BUDGET AND APPROPRIATE NON-AD VALOREM REVENUES TO MAKE DEBT SERVICE PAYMENTS ON SAID NOTE TO THE EXTENT INCREMENT REVENUES ARE INSUFFICIENT THEREFOR; APPROVING THE SALE OF SAID NOTE BY THE COMMUNITY REDEVELOPMENT AGENCY; AUTHORIZING OFFICERS AND EMPLOYEES OF THE CITY TO TAKE ALL NECESSARY ACTIONS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

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**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF  
LEESBURG, FLORIDA:**

**GENERAL**

Definitions.

When used in this Resolution, the following terms shall have the following meanings, unless the context clearly otherwise requires. Capitalized terms not defined herein shall have the meaning ascribed to them in the Issuer Resolution as defined below.

“Act” shall mean Chapter 166, Part II, and Section 163.358, Florida Statutes and other applicable provisions of law.

“City” shall mean the City of Leesburg, Florida.

“Interlocal Agreement” shall mean the document of that name between the City and the Issuer dated the date of delivery of the Note pursuant to which the City, subject to the limitations therein, agrees to appropriate from Non-Ad Valorem Revenues (as defined therein) amounts sufficient to make certain payments on the Note, all as provided in the Interlocal Agreement.

“Issuer” shall mean the Greater Leesburg Community Redevelopment Agency.

“Issuer Resolution” shall mean the resolution of the Issuer which, among other matters, approves the issuance of the Note.

“Non-Ad Valorem Revenues” shall have the meaning ascribed to such term in the Interlocal Agreement.

“Note” shall mean the Greater Leesburg Community Redevelopment Agency Redevelopment Revenue Note, Series 2015.

“Resolution” and “this Resolution” shall mean this instrument, as the same may from time to time be amended, modified or supplemented by any and all Supplemental Resolutions.

“Supplemental Resolution” shall mean any resolution of the City amending or supplementing this Resolution, adopted and becoming effective prior to the issuance of the Note or in accordance with the terms of Section 5.1 and Section 5.2 hereof.

Words importing the singular number include the plural number, and vice versa, word importing persons shall include firms, corporations or other entities including governments or governmental bodies and words importing the masculine gender shall include every other gender.

### Authority for Resolution.

This Resolution is adopted pursuant to the provisions of the Act.

### Resolution to Constitute Contract.

In consideration of the purchase and acceptance of the Note by those who shall hold the same from time to time, the provisions of this Resolution shall be deemed to be and shall constitute a contract between the City and the Holders from time to time of the Note. The provisions, covenants and agreements herein set forth to be performed by or on behalf of the City shall be for the equal benefit, protection and security of the Holders of the Note.

### Findings.

It is hereby ascertained, determined and declared as follows:

For the benefit of its inhabitants, the City finds, determines and declares that it is necessary for the continued preservation of the health, welfare, convenience and safety of the City and its inhabitants for the Issuer to issue the Note to acquire and construct the Project.

The City has been advised by the City's financial advisor, Public Financial Management, Inc. that the Note will be issued at lower interest rate than would otherwise be available to the Issuer if the City will enter into the Interlocal Agreement pursuant to which the City will covenant, subject to the provisions thereof, to budget and appropriate from Non-Ad Valorem Revenues amounts sufficient to pay due debt service on the Note to the extent there are insufficient Increment Revenues to make such payments.

The Issuer has represented to the City that the Increment Revenues are expected to be sufficient to pay the principal and interest on the Note, as the same become due.

The Project was not scheduled to be installed, contracted, reconstructed, repaired or altered within three years of the approval by the City of the community redevelopment plan for the Issuer pursuant to a previously approved public capital improvement or project schedule or plan for the City.

That the purpose for which the Note is being used satisfies a paramount public purpose and will provide for and promote general economic and social benefit to the City and its citizens.

### **AUTHORIZATION OF NOTE**

The City hereby approves the issuance by the Issuer of the Note substantially in accordance with the provisions of the Issuer Resolution attached hereto as **Exhibit A**.



## **LIMITED OBLIGATION OF THE CITY**

The Note shall not be or constitute a general obligation or indebtedness of the Issuer or the City within the meaning of Article VII, Section 12 of the Constitution of Florida, but shall be payable solely from the Increment Revenues in accordance with the terms of the Issuer Resolution and from Non-Ad Valorem Revenues as provided in the Interlocal Agreement. Neither the faith and credit nor the taxing power of the City is pledged to the obligations of the City under the Interlocal Agreement.

## **APPROVAL OF INTERLOCAL AGREEMENT AND AUTHORIZATION OF EXECUTION AND DELIVERY THEREOF**

The Interlocal Agreement between the City and the Issuer pursuant to which, subject to certain limitations, the City will agree among other matters to budget and appropriate from Non-Ad Valorem Revenues (as defined therein) amounts sufficient to pay debt service on the Note to the extent the Increment Revenues are insufficient to make such payments is hereby approved in substantially the form attached hereto as Exhibit B. The Mayor or any designee thereof and the City Clerk or any deputy or assistant City Clerk are hereby authorized to execute the Interlocal Agreement in substantially the form attached hereto, with such changes, insertions and additions as they may approve, their execution thereof being evidence of such approval.

## **SUPPLEMENTAL RESOLUTIONS**

### Supplemental Resolution Without Noteholders' Consent.

The City, from time to time and at any time, may adopt such Supplemental Resolutions without the consent of the Noteholders (which Supplemental Resolution shall thereafter form a part hereof) for any of the following purposes:

To cure any ambiguity or formal defect or omission or to correct any inconsistent provisions in this Resolution or to clarify any matters or questions arising hereunder.

To grant to or confer upon the Noteholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Noteholders.

To add to the covenants and agreements of the City in this Resolution other covenants and agreements thereafter to be observed by the City or to surrender any right or power herein reserved to or conferred upon the City.

To make any other change that, in the opinion of Bond Counsel, would not materially adversely affect the security for the Note.

### Supplemental Resolution With Noteholders' Consent.

Subject to the terms and provisions contained in this Section 5.2 and Section 5.1 hereof, the Holder or Holders of not less than a majority in aggregate principal amount of the Note then Outstanding shall have the right, from time to time, anything contained in this Resolution to the contrary notwithstanding, to consent to and approve the adoption of such Supplemental Resolution or Resolutions hereto as shall be deemed necessary or desirable by the City for the purpose of supplementing, modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Resolution; provided, however, that if such modification or amendment will, by its terms, not take effect so long as less than all of the Note remains Outstanding, the consent of the Holders of such portion of the Note that will not be outstanding on the effective date of the modification or amendment shall not be required and such Note shall not be deemed to be Outstanding for the purpose of any calculation of the Outstanding Note under this Section 5.2.

If at any time the City shall determine that it is necessary or desirable to adopt any Supplemental Resolution pursuant to this Section 5.2, the City Clerk shall cause the Registrar to give notice of the proposed adoption of such Supplemental Resolution and the form of consent to such adoption to be mailed, postage prepaid, to all Noteholders at their addresses as they appear on the registration books. Such notice shall briefly set forth the nature of the proposed Supplemental Resolution and shall state that copies thereof are on file at the offices of the City Clerk for inspection by all Noteholders. The City shall not, however, be subject to any liability to any Noteholder by reason of its failure to cause the notice required by this Section 5.2 to be mailed and any such failure shall not affect the validity of such Supplemental Resolution when consented to and approved as provided in this Section 5.2.

Whenever the City shall deliver to the City Clerk an instrument or instruments in writing purporting to be executed by the Holders of not less than a majority in aggregate principal amount of the Note then Outstanding, which instrument or instruments shall refer to the proposed Supplemental Resolution described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the City may adopt such Supplemental Resolution in substantially such form, without liability or responsibility to any Holder of any Note, whether or not such Holder shall have consented thereto.

If the Holders of not less than a majority in aggregate principal amount of the Note Outstanding at the time of the adoption of such Supplemental Resolution shall have consented to and approved the adoption thereof as herein provided, no Holder of any Note shall have any right to object to the adoption of such Supplemental Resolution, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the City from adopting the same or from taking any action pursuant to the provisions thereof.

Upon the adoption of any Supplemental Resolution pursuant to the provisions of this Section 5.2 or Section 5.1 hereof, this Resolution shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Resolution of the City and all Holders of the Note then Outstanding shall thereafter be determined, exercised and enforced in all respects under the provisions of this Resolution as so modified and amended.

## **APPROVAL OF SALE OF NOTE AND EXECUTION OF BOND PURCHASE AGREEMENT**

The City hereby approves in accordance with the provisions of the Act the sale of the Note by the Issuer in accordance with the terms and provisions of the Issuer Resolution.

## **FEDERAL INCOME TAX COVENANTS**

The City covenants with the Holders of the Note that it will not make any use of the proceeds of such Note (or amounts deemed to be proceeds under the Code) in any manner which would cause such Note to be an "arbitrage bond" within the meaning of Section 148 of the Code, and will not do any act or fail to do any act which would cause the interest on the Note to become includable in the gross income of the Holders thereof for federal income tax purposes.

## **MISCELLANEOUS**

### General Authority.

The members of the City Commission and the City's officers, attorneys and other agents and employees are hereby authorized to do all acts and things required of them by this Resolution and the Interlocal Agreement or desirable or consistent with the requirements hereof for the full, punctual and complete performance of all of the terms, covenants and agreements contained in this Resolution and the Interlocal Agreement, and they are hereby authorized to execute and deliver all documents which shall be reasonably required by Bond Counsel or the initial purchaser of the Note to effectuate the sale of the Note.

### No Personal Liability.

No representation, statement, covenant, warranty, stipulation, obligation or agreement herein contained, or contained in the Note or the Interlocal Agreement, or in any certificate or other instrument to be executed on behalf of the City in connection with the issuance of the Note, shall be deemed to be a representation, statement, covenant, warranty, stipulation, obligation or agreement of any member of the governing body, officer, employee or agent of the City in his or her individual capacity, and none of the foregoing persons nor any officer of the City executing any certificate or other instrument to be executed in connection with the issuance of the Note, shall be liable personally thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

### Severability of Invalid Provisions.

If any one or more of the covenants, agreements or provisions of this Resolution shall be held contrary to any express provision of law or contrary to the policy of express law,

though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements and provisions of this Resolution and shall in no way affect the validity of any of the other covenants, agreements or provisions hereof or of the Note issued hereunder.

Repeal of Inconsistent Resolutions.

All resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.

Effective Date.

This Resolution shall take effect immediately upon its adoption.

*[SIGNATURES ON FOLLOWING PAGE]*

PASSED, APPROVED AND ADOPTED this 12<sup>th</sup> day of January, 2015.

CITY OF LEESBURG, FLORIDA

(OFFICIAL SEAL)

  
Mayor

ATTEST:

Approved as to Form and Correctness:

  
City Attorney

  
City Clerk



INSTRUMENT #2015004124  
OR BK 4573 PG 1136 - 1146 (11 PGS)  
DATE: 1/13/2015 4:37:07 PM  
NEIL KELLY, CLERK OF THE CIRCUIT COURT  
LAKE COUNTY  
RECORDING FEES \$95.00

THIS INSTRUMENT PREPARED  
BY AND RETURN TO:

ABOVE SPACE RESERVED FOR  
RECORDING PURPOSES ONLY

Michael D. Williams  
Akerman LLP  
420 South Orange Avenue  
P.O. Box 231  
Orlando, FL 32801

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**CITY OF LEESBURG, FLORIDA/  
GREATER LEESBURG COMMUNITY REDEVELOPMENT AGENCY  
INTERLOCAL AGREEMENT**

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**GREATER LEESBURG COMMUNITY REDEVELOPMENT AGENCY  
REDEVELOPMENT REVENUE NOTE, SERIES 2015**

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**JANUARY 14, 2015**

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APPROVED BY:

City of Leesburg  
City Commission  
January 12, 2015

Greater Leesburg Community  
Redevelopment Agency  
January 12, 2015

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**CITY OF LEESBURG, FLORIDA/  
GREATER LEESBURG COMMUNITY REDEVELOPMENT AGENCY  
INTERLOCAL AGREEMENT**

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**GREATER LEESBURG COMMUNITY REDEVELOPMENT AGENCY  
REDEVELOPMENT REVENUE NOTE, SERIES 2015  
(the "2015 Note")**

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**JANUARY 14, 2015**

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This Interlocal Agreement (the "Interlocal Agreement") is made and entered into this 30<sup>th</sup> day of December, 2014, by and among the **City of Leesburg, Florida**, a municipal corporation created and existing under the laws of the State of Florida (the "City"), and **Greater Leesburg Community Redevelopment Agency**, a political body corporate and politic created, existing and operating under Part III of Chapter 163 of Florida Statutes (the "Agency").

**RECITALS**

**WHEREAS**, the City and the Agency have determined that it is in the best interests of the community, particularly that area of the City consisting of the Redevelopment Area of the Agency, to underground and/or relocate electrical distribution and other utility lines and related improvements (the "Project"); and

**WHEREAS**, it is the purpose and the intent of the parties hereto to enter into this Interlocal Agreement pursuant to the Florida Interlocal Cooperation Act of 1969 to permit the City and the Agency to make efficient use of their respective powers, resources and capabilities by enabling them to cooperate on the basis of mutual advantage and thereby to provide the resources provided herein for the construction and financing of the Project; and

**WHEREAS**, the Agency has determined that the Project constitutes "community redevelopment" and is specifically described in the Agency's approved "community redevelopment plan" all within the meaning of Chapter 163, Part III, Florida Statutes; and

**WHEREAS**, the City has by Ordinance No. 96-30 of the City created the redevelopment trust fund of the Agency and has provided for the funding of such trust fund until the time set forth in the community redevelopment plan; and

**WHEREAS**, the Agency, subject among other matters to the City entering into this Interlocal Agreement, has agreed to issue its Redevelopment Revenue Note, Series 2015 (the "2015 Note") for the purpose of financing the Project; and

**WHEREAS**, the City has approved the execution and delivery of this Interlocal Agreement by the City pursuant to City Resolution No. 9533 adopted on January 12, 2015 (the "City Resolution") and the Agency has approved the execution and delivery of this Interlocal Agreement by the Agency pursuant to its Resolution No. 31 adopted on January 12, 2015 (the "Agency Resolution").

## **ARTICLE I**

### **AUTHORITY AND CAPITALIZED TERMS**

This Interlocal Agreement is entered into pursuant to the powers and authority granted to the parties under the Constitution and laws of the State of Florida, including expressly but not limited to, the authority of Section 163.01, Florida Statutes. Capitalized terms not defined herein have the meaning ascribed to them in the Agency Resolution, the City Resolution or that Loan Agreement dated as of the date hereof between the Agency and Citizens First Bank entered into in connection with the issuance of the 2015 Note.

## **ARTICLE II**

### **REPRESENTATIONS, WARRANTIES AND COVENANTS OF CITY**

**Section 2.1 REPRESENTATIONS AND WARRANTIES.** The City makes the following representations and warranties for the benefit of the Agency and the holders of the Bonds:

(a) **PENDING LITIGATION.** There are no proceedings pending, or to the knowledge of the City threatened, against or affecting the City in any court or before any governmental authority or arbitration board or tribunal (i) with respect to any of the transactions contemplated hereby or (ii) that, if adversely determined, would materially and adversely affect the properties, prospects or condition (financial or otherwise) of the City in a manner that will materially adversely affect the ability of the City to make the payments under this Interlocal Agreement when and as the same become due and payable or would materially and adversely affect the existence or powers or ability of the City to enter into and perform its obligations under this Interlocal Agreement.

(b) **BORROWING LEGAL AND AUTHORIZED.** The execution and delivery of this Interlocal Agreement and the consummation of the transactions provided for in this Interlocal Agreement and compliance by the City with the provisions of this Interlocal Agreement:

(1) are within the powers of the City and have been duly and effectively authorized by all necessary action on the part of the City; and



(2) do not and will not (i) conflict with or result in any material breach of any of the terms, conditions or provisions of, or constitute a default under, any indenture, or other agreement or instrument, or restriction to which the City is a party or by which the City, its properties or operations may be bound or (ii) with the giving of notice or the passage of time or both, constitute a breach or default or so result in the creation or imposition of any lien, charge, or encumbrance, which breach, default, lien, charge or encumbrance could materially and adversely affect the validity or the enforceability of this Interlocal Agreement or the City's ability to perform fully its obligations under this Interlocal Agreement; or any laws, ordinances, governmental rules or regulations or court orders to which the City, its properties or operations are or may be bound.

(c) NO DEFAULTS. No event has occurred and no condition exists that constitutes an event of default under any indenture or other agreement or instrument to which the City is a party, or which, upon the execution and delivery of this Interlocal Agreement and/or the passage of time or giving of notice or both, would constitute an event of default under any indenture or other agreement or instrument to which the City is a party. The City is not in violation in any material respect, and has not received notice of any claimed violation which will have any material adverse effect on the ability of the City to perform its obligations hereunder or under the terms of any agreement or other instrument to which it is a party or by which it, its properties or operations may be bound.

(d) COMPLIANCE WITH LAW. The City is in compliance with all laws, ordinances, governmental rules and regulations to which it is subject and which are material to the execution of this Interlocal Agreement and the performance by the City of its obligations hereunder.

(e) ENFORCEABILITY. This Interlocal Agreement constitutes a legal, valid and binding obligation of the City enforceable against the City in accordance with its terms, except as such enforceability may be limited by bankruptcy, reorganization, insolvency and other similar laws affecting enforceability of creditors' rights generally and to the application of equitable principles if equitable remedies are sought.

(f) TAX COVENANTS. Each of the City and the Agency agrees that it will not take any action or omit to take any action, which action will adversely affect the exclusion from gross income of interest on the 2015 Note or amounts paid under this Interlocal Agreement for federal income tax purposes and in the event any such action or omission is discovered by such party or shall be brought to its attention, the non-complying party shall, at its sole expense and promptly upon discovering such action or having any such action brought to its attention, take such reasonable actions as may rescind or otherwise negate or cure such action or omission.

(g) OTHER OBLIGATIONS. Other than as set forth in that Interlocal Agreement executed by the City in connection with the issuance by the Community Agency for the US Highway 441&27 Area of its Tax Increment Revenue Bonds, Series 2009, except as provided in that Loan Agreement dated as of October 2, 2009 between the City and Branch Banking and Trust Company entered into in connection with the issuance by the City of its Capital Improvement Revenue Refunding Note, Series 2009 and except as provided in that Loan Agreement dated as of November 3, 2009 between the City and Bank of America, N.A. entered

into in connection with the issuance by the City of its Capital Improvement Promissory Note (Magnolia Townhomes) the City has not previously agreed to budget and appropriate any or all of its Non-Ad Valorem Revenues (as defined in Section 2.3 hereof) to secure any indebtedness.

## **Section 2.2 COVENANTS OF THE AGENCY.**

(a) The Agency hereby covenants that by March 1 of each year it shall deliver to the City and the Holders of the 2015 Note a certificate executed by an officer of the Agency stating whether Increment Revenues shall be sufficient to make all payments due on April 1 and October 1 of such year. If such amounts shall not be sufficient for such purpose, the certificate shall indicate the amount of such insufficiency.

(b) The Agency hereby agrees to reimburse the City the amount of any payment made by the City pursuant to Section 2.3(a) below from the first legally available money of the Agency but only after the Agency has provided for all payments and deposits required in such year due on the 2015 Note.

**Section 2.3 COVENANTS OF THE CITY.** The City makes the following covenants and representations as of the date first above written and such covenants shall continue in full force and effect during the term of this Interlocal Agreement:

(a) **COVENANT TO BUDGET AND APPROPRIATE.** Should the certificate of the Agency referenced in 2.2 above certify that a Deficiency will exist, the City covenants and agrees no later than March 20 immediately following notice of the Deficiency to appropriate in its annual budget, by amendment, if necessary, from Non-Ad Valorem Revenues, an amount equal to the Deficiency. For purposes of this Agreement, "Non-Ad Valorem Revenues" means all non-ad valorem revenues of the City that are legally available to make the payments required herein, except for (i) revenues of any enterprise fund of the City, unless and until such revenues are transferred from such enterprise fund to the City's general fund, and (ii) non-ad valorem revenues required to pay or make provision for the payment of the Costs of Essential Services(as defined below). Such covenant and agreement on the part of the City to budget and appropriate the amount of any Deficiency shall be cumulative to the extent not paid, and shall continue until such Non-Ad Valorem Revenues or other legally available funds in amounts sufficient to make all such required payments shall have been budgeted, appropriated and actually paid to the Agency. No lien upon or pledge of such Non-Ad Valorem Revenues shall be created by this Interlocal Agreement until such moneys are budgeted and appropriated and paid to the Agency. The City shall pay to the Agency from Non-Ad Valorem Revenues so budgeted and appropriated the amount of the Deficiency and the Agency hereby agrees to apply such amount to the most immediate payments due on the 2015 Note. The City further acknowledges and agrees that the obligations of the City to include the amount of any Deficiency in payments in each of its annual budgets and to pay such amounts from legally available Non-Ad Valorem Revenues may be enforced in a court of competent jurisdiction in accordance with the remedies set forth herein.

A failure of the Agency to deliver to the City by March 1 a certificate indicating a "Deficiency" shall not relieve the City of its covenant provided above to appropriate Non-Ad Valorem Revenues in an amount equal to the Deficiency; however, the City shall not be required

to budget and appropriate Non-Ad valorem Revenues until 20 days after the Deficiency Notice is received.

Such covenant to budget and appropriate does not create any lien upon or pledge of such Non-Ad Valorem Revenues, nor does it preclude the City from pledging in the future its Non-Ad Valorem Revenues nor does it require the City to levy and collect any particular Non-Ad Valorem Revenues, nor does it give the Holders of the 2015 Note or the Agency a prior claim on the Non-Ad Valorem Revenues as opposed to claims of general creditors of the City. Such covenant to budget and appropriate legally available Non-Ad Valorem Revenues is subject in all respects to the prior payment of obligations secured by a pledge of such Non-Ad Valorem Revenues heretofore or hereafter entered into (including the payment of debt service on bonds, notes and other debt instruments). Anything in this Interlocal Agreement to the contrary notwithstanding, it is understood and agreed that the obligations of the City under this section shall be payable from Non-Ad Valorem Revenues budgeted and appropriated as provided for hereunder and nothing herein shall be deemed to pledge ad valorem tax revenues or to permit or constitute a mortgage or lien upon any assets owned by the City and no holder of the 2015 Note or the Agency nor any other person, may compel the levy of ad valorem taxes on real or personal property within the boundaries of the City. Notwithstanding any provisions of this Interlocal Agreement to the contrary, the City shall never be obligated to maintain or continue any of the activities of the City which generate user service charges, regulatory fees or any Non-Ad Valorem Revenues. This Interlocal Agreement shall not be construed as a pledge of or a lien on all or any Non-Ad Valorem Revenues of the City, but the City's obligations hereunder shall be payable solely as provided herein and is subject in all respects to the provisions of Florida law which make it unlawful for any municipality to expend moneys not appropriated and in excess of such municipality's current budgeted revenues, and is subject, further, to the payment of services and programs which are for Costs of Essential Services (as defined below).

"Costs of Essential Services" shall mean the cost of services and programs which are for essential public purposes affecting the health, welfare and safety of the inhabitants of the City or which are legally mandated by applicable law.

(b) FURTHER ASSURANCE. The City shall execute and deliver to the Agency, all such documents and instruments and do all such other acts and things as may be reasonably necessary or required by the Agency to enable it to exercise and enforce its rights under this Interlocal Agreement and to realize thereon, and record and file and re-record and re-file all such documents and instruments, at such time or times, in such manner and at such place or places, all as may be reasonably necessary or required by any of them to validate, preserve and protect its position under this Interlocal Agreement.

### ARTICLE III

#### LOAN TERM AND TERMINATION

**Section 3.1 COMMENCEMENT OF TERM.** The City's obligations under this Interlocal Agreement shall commence on the date hereof unless otherwise provided in this Interlocal Agreement.

**Section 3.2 TERMINATION.** This Interlocal Agreement shall terminate upon payment in full of the 2015 Note or the defeasance thereof in accordance with the provisions thereof and the performance of all other obligations hereunder.

## **ARTICLE IV**

### **NATURE OF CITY OBLIGATIONS**

**Section 4.1 PAYMENT CURRENCY.** The City shall pay to the Agency payments due hereunder in lawful money of the United States of America.

**Section 4.2 OBLIGATIONS.** The obligation of the City to make the payments due hereunder and to perform and observe the other covenants and agreements contained herein shall be absolute and unconditional in all events except as otherwise expressly provided in this Interlocal Agreement and applicable provisions of law. Notwithstanding any dispute between the Agency and the City but subject to the foregoing, the City shall make all payments due hereunder when due and shall not withhold any such payments or any other amounts pending final resolution of such dispute nor shall the City assert any right of setoff or counterclaim against its obligation to make such payments required under this Interlocal Agreement.

## **ARTICLE V**

### **ASSIGNMENT**

**Section 5.1 ASSIGNMENT BY AGENCY.** This Interlocal Agreement may not be assigned by the City for any reason without the express prior written consent of the Agency and Holders of the 2015 Note.

## **ARTICLE VI**

### **EVENTS OF DEFAULT AND REMEDIES**

**Section 6.1 EVENTS OF DEFAULT DEFINED.** The following shall be "Events of Default" under this Interlocal Agreement and the terms "Event of Default" and "Default" shall mean (except where the context clearly indicates otherwise), whenever they are used in this Interlocal Agreement, any one or more of the following events:

(a) Failure by the City to timely pay any payment to be paid hereunder on the date on which it is due and payable;

(b) Any provision of this Interlocal Agreement material to the performance of the obligations of the City hereunder shall at any time for any reason cease to be valid and binding on the City or shall be declared to be null and void, or the validity or enforceability thereof shall be contested by the City or the City shall deny that it has any or further liability or obligation hereunder; and

(c) Any act of bankruptcy is filed against the City and is not dismissed within 60 days of such filing.

**Section 6.2 NOTICE OF DEFAULT.** The City agrees to give the Agency prompt written notice if any petition, assignment, appointment or possession referred to in Section 6.1(b) and 6.1(c) is filed by or against the City or of the occurrence of any other event or condition which constitutes a Default or an Event of Default, or with the passage of time or the giving of notice would constitute an Event of Default, immediately upon becoming aware of the existence thereof.

**Section 6.3 REMEDIES ON DEFAULT.** Whenever any Event of Default referred to in Section 6.1 hereof shall have happened and be continuing, the Agency and Holders of the 2015 Note has the right, at its option without any further demand or notice, to take whatever other action at law or in equity, by mandamus or otherwise, may appear necessary or desirable to collect amounts then due hereunder or to enforce any other of its or their rights hereunder provided that nothing hereunder shall constitute a general obligation as a pledge of the taxing power of the City.

**Section 6.4 ATTORNEYS' FEES AND OTHER EXPENSES.** The City shall, on demand, pay to the Agency and Holders of the 2015 Note the reasonable fees and expenses of attorneys and other reasonable expenses incurred by it in the collection of payments due or the enforcement of performance of any other obligations of the City hereunder upon an Event of Default. The provisions of this Section 6.4 shall survive the termination of this Interlocal Agreement and the payment in full of the City's obligations hereunder.

## **ARTICLE VII**

### **MISCELLANEOUS**

**Section 7.1 NOTICES.** All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when hand delivered or mailed by first-class mail, registered or certified mail, postage prepaid, to the parties at the following address:

The City:

City of Leesburg, Florida  
501 W Meadow Street  
Leesburg, FL 34748  
Attention: City Manager and  
Finance Director  
Telephone: (352)728-9714

The Agency:

Attention: Chairman and Secretary  
Greater Leesburg Community  
Redevelopment Agency  
501 W Meadow Street  
Leesburg, FL 34748  
Telephone: (352)728-9714

**Section 7.2 BINDING EFFECT.** This Interlocal Agreement shall inure to the benefit of and shall be binding upon the City and the Agency and their respective successors and assigns. In consideration of the purchase and acceptance of any or all of the 2015 Note by those who shall hold the same from time to time, the provisions of this Interlocal Agreement shall be deemed to be and shall constitute a contract between the City and the Holders from time to time of the 2015 Note. The provisions, covenants and agreements herein set forth to be performed by

or on behalf of the City shall be for the equal benefit, protection and security of the Holders of any and all of the 2015 Note.

**Section 7.3 SEVERABILITY.** In the event any provision of the Interlocal Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**Section 7.4 AMENDMENTS, CHANGES AND MODIFICATIONS.** No modification alteration or amendment to this Interlocal Agreement shall be binding upon any party until such modification, alteration or amendment is reduced to writing and executed by all parties hereto and the Holders of the 2015 Note.

**Section 7.5 EXECUTION IN COUNTERPARTS.** This Interlocal Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 7.6 APPLICABLE LAW.** This Interlocal Agreement shall be governed by and construed in accordance with the law of the State of Florida.

**Section 7.7 CONSENTS AND APPROVALS.** Whenever written consent or approval shall be required under the provisions of this Interlocal Agreement, such consent or approval may be given by an authorized officer of the City and/or Agency.

**Section 7.8 IMMUNITY OF OFFICERS, EMPLOYEES AND MEMBERS OF CITY AND AGENCY.** No recourse shall be had for any payment due hereunder or for any claim based thereon or upon any representation, obligation, covenant or agreement in this Interlocal Agreement against any past, present or future officer, member, employee, director or agent of the City or the Agency as such, either directly or through the City or the Agency, any successor public or private corporation thereto under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, members, employees, directors or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Interlocal Agreement.

**Section 7.9 CAPTIONS.** The captions or headings in this Interlocal Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions of sections of this Interlocal Agreement.

**Section 7.10 NO PECUNIARY LIABILITY OF CITY OR AGENCY.** No provision, covenant or agreement contained in this Interlocal Agreement, or any obligation herein imposed upon the City or the Agency, or the breach thereof, shall constitute an indebtedness or liability of the State of Florida or any political subdivision of the State of Florida or any public corporation or governmental agency existing under the laws thereof other than the City.

**Section 7.11 PAYMENTS DUE ON HOLIDAYS.** If the date for making any payment or the last date for performance of any act or the exercise of any right, as provided in this Interlocal Agreement, shall be other than on a Business Day such payments shall be made or

act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this Interlocal Agreement.

**Section 7.12 PUBLIC AGENCIES.** At all times prior to and during the term of this Interlocal Agreement, the City and Agency shall constitute “public agencies” as that term is defined in section 163.01(3)(b), Florida Statutes, and each of the City and this Agency have in common the power and authority to separately issue obligations like the 2015 Note in order to provide financing of the Project.

*[SIGNATURES ON FOLLOWING PAGE]*

**Section 7.13 FILING OF INTERLOCAL AGREEMENT.** It is agreed that this Interlocal Agreement shall be filed with the Clerk of the Circuit Court of Lake County, Florida, all in accordance with Chapter 163, Part I, Florida Statutes.

**IN WITNESS WHEREOF,** Greater Leesburg Community Redevelopment Agency has caused this Interlocal Agreement to be executed in its corporate name and attested by its duly authorized officers and City of Leesburg, Florida has caused this Interlocal Agreement to be executed in its corporate name with its corporate seal hereunto affixed and attached by its duly authorized officers as of the date first above written.

ATTEST:

**GREATER LEESBURG COMMUNITY  
REDEVELOPMENT AGENCY**

By: Julie R. Purvis  
Secretary

By: Carol A. Dennis  
Chairman

Approved as to Form and Correctness

Paul A. Dennis  
Agency Counsel

**CITY OF LEESBURG**

ATTEST:

By: Julie R. Purvis  
City Clerk

By: Carol A. Dennis  
Title: Mayor

Approved as to Form and Correctness

Paul A. Dennis  
City Attorney



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**LOAN AGREEMENT**

**Dated as of January 14, 2015**

**By and Between**

**GREATER LEESBURG COMMUNITY REDEVELOPMENT AGENCY  
(the "Agency")**

**and**

**CITIZENS FIRST BANK  
(the "Bank")**

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## **LOAN AGREEMENT**

THIS LOAN AGREEMENT (the “Agreement”), made and entered into this 14<sup>th</sup> day of January, 2015, by and between **GREATER LEESBURG COMMUNITY REDEVELOPMENT AGENCY** (the “Agency”), a community redevelopment agency created pursuant to Chapter 163, Part III, Florida Statutes, and **CITIZENS FIRST BANK**, a Florida state bank, and its successors and assigns (the “Bank”).

### **WITNESSETH:**

**WHEREAS**, capitalized terms used in these recitals and not otherwise defined shall have the meanings specified in Article I of this Agreement;

**WHEREAS**, the Agency, pursuant to the provisions of the Florida Constitution, Chapter 163, Part III, Florida Statutes, particularly Section 163.385, Florida Statutes, and any other applicable provisions of law (all of the foregoing, collectively, the “Act”), and Resolution No. 31 adopted by the Agency on January 12, 2015, is authorized to issue “redevelopment revenue bonds” for the Agency’s public purpose, provided such borrowing has been authorized by a resolution or ordinance of the governing body of the City of Leesburg, Florida; and

**WHEREAS**, the City Commission of the City of Leesburg, Florida, adopted Resolution No. 9533 on January 12, 2015, authorizing and approving the issuance by the Agency of its \$1,000,000 Redevelopment Revenue Note, Series 2015 (the “Note”); and

**WHEREAS**, in order to finance the Agency’s cost of certain community redevelopment as more specifically described hereunder (the “Project”), and related costs of issuance, the Bank submitted its commitment, dated November 20, 2014 (the “Commitment”); and

**WHEREAS**, the Agency and the City have accepted the Commitment and the Bank is willing to make the loan evidenced by the Note (as hereinafter defined), but only upon the terms and conditions of this Agreement.

**NOW, THEREFORE**, the parties hereto agree as follows:

## **ARTICLE I**

### **DEFINITION OF TERMS**

**Section 1.01. Definitions.** Capitalized terms used in this Agreement and not otherwise defined shall have the respective meanings as follows:

“Act” shall have the meaning assigned to that term in the recitals hereof.

“Additional Amount” shall have the meaning ascribed to such term in Section 3.03 hereof.

“Agreement” shall mean this Loan Agreement and all modifications, alterations, amendments and supplements hereto made in accordance with the provisions hereof.

“Authorized Denomination” shall mean, with respect to the Note, the Outstanding Principal Balance of the Note.

“Bond Counsel” shall mean, Akerman LLP, Orlando, Florida, or any other attorney at law or firm of attorneys of nationally recognized standing in matters pertaining to the federal tax exemption of interest on obligations issued by states and political subdivisions hired by the Agency to render an opinion on such matters with regard to the Note.

“Business Day” shall mean any day other than a Saturday, a Sunday, or a day on which the office of the Bank at which payments on the Note are due is lawfully closed.

“Chairman” shall mean the Chairman of the Agency.

“City” shall mean the City of Leesburg, Florida, a municipal corporation of the State of Florida.

“City Resolution” shall mean Resolution No. 9533 duly adopted by the City Commission of the City on January 12, 2015.

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time, and the applicable rules and regulations promulgated thereunder.

“Community Redevelopment” shall have the meaning ascribed to such term in the Act.

“Community Redevelopment Area” shall mean those areas of the City so designated as the community redevelopment area of the Agency pursuant to Chapter 163, Part III, Florida Statutes and various resolutions and ordinances of the City.

“Debt Service” means principal and interest, and other debt-related costs, due in connection with the Note, as applicable.

“Default Rate” shall mean 11.80%.

“Determination of Taxability” shall mean, with respect to the Note, the circumstance of the interest on the Note becoming includable for federal income tax purposes in the gross income of the Holder due to an action or failure to act of the Agency. A Determination of Taxability will be deemed to have occurred upon (i) the receipt by the Agency or the Holder of an original or a copy of an Internal Revenue Service Technical Advice Memorandum or Statutory Notice of Deficiency or; (ii) the issuance of any public or private ruling of the Internal Revenue Service; in each case to the effect that the interest on the Note is not excluded from the gross income of the Holder for federal income tax purposes.

“Event of Default” shall mean an Event of Default as defined in Section 5.01 of this Agreement.

“Final Maturity Date” shall mean the date on which all principal and all unpaid interest accrued on the Note shall be due and payable in full, which date shall be, if not sooner due to prepayment, October 1, 2026.

“Fiscal Year” shall mean the 12-month period commencing October 1 of each year and ending on the succeeding September 30, or such other 12-month period as the Agency may designate as its “fiscal year” as permitted by law.

“Governing Body” shall mean the board of the Agency or its successor in function.

“Increment Revenues” shall mean the funds deposited into the Redevelopment Trust Fund in accordance with Section 163.387, Florida Statutes exclusive of amounts required to be paid to the Community Development Corporation of Leesburg and Vicinity (the "CDC") pursuant to that agreement between the Agency and the CDC delivered March 24, 2004. Increment Revenues do not become Pledged Revenues until so deposited.

"Interlocal Agreement" means that interlocal agreement by and between the City and the Agency pursuant to which subject to the terms thereof, the City covenants to budget and appropriate Non-Ad Valorem Revenues (as defined therein) to make certain payments in regard to the Note.

“Interest Payment Date” shall mean each April 1 and October 1, commencing April 1, 2015.

“Investment Securities” shall mean any investments permitted by the City’s investment policy as amended from time to time.

“Loan” shall refer to an amount equal to the outstanding principal of the Note, together with unpaid interest which has accrued.

“Note” shall mean Greater Leesburg Community Redevelopment Agency Redevelopment Revenue Note, Series 2015 issued by the Agency under this Agreement and the Resolution.

“Noteholder” or “Holder” shall mean the Bank as the holder of the Note and any subsequent registered holder of the Note.

“Note Rate” shall mean 2.91% (as modified by the adjustment as described in Section 3.03 hereof) to be calculated on the basis of a 360-day year of 12, 30-day months.

“Pledged Revenues” shall mean the Increment Revenues and any amounts provided by the City to the Agency pursuant to the provisions of the Interlocal Agreement.

“Project” shall mean the acquisition, construction and improvements of street improvements, undergrounding and replacement of all electric, water, wastewater, storm water and fiber optic relocation on Main Street from U.S. 27 to 9<sup>th</sup> Street all within the Community Redevelopment Area of the Agency.

“Redevelopment Trust Fund” shall mean the redevelopment trust fund established for the Agency under Section 163.387, Florida Statutes, and various ordinances of the City.

“Resolution” shall mean Resolution No. 31, duly adopted at a meeting of the Agency on January 12, 2015, which, among other things, authorized and confirmed the borrowing of the Loan and execution and delivery of this Agreement and the issuance of the Note.

“Vice Chairman” shall mean the Vice Chairman of the Agency.

**Section 1.02. Interpretation.** Unless the context clearly requires otherwise, words of masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa. Any capitalized terms used in this Agreement not herein defined shall have the meaning ascribed to such terms in the Resolution. This Agreement and all the terms and provisions hereof shall be construed to effectuate the purpose set forth herein and to sustain the validity hereof.

**Section 1.03. Titles and Headings.** The titles and headings of the Articles and Sections of this Agreement, which have been inserted for convenience of reference only and are not to be considered a part hereof, shall not in any way modify or restrict any of the terms and provisions hereof, and shall not be considered or given any effect in construing this Agreement or any provision hereof or in ascertaining intent, if any question of intent should arise.

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES OF THE PARTIES

**Section 2.01. Representations and Warranties of Agency.** The Agency represents and warrants to the Bank as follows:

(a) Existence. The Agency is a community redevelopment agency of the State of Florida, duly created and validly existing under the laws of the State of Florida, with full power to enter into this Agreement, to perform its obligations hereunder and to issue and deliver the Note to the Bank. The making, execution and performance of this Agreement on the part of the Agency and the issuance and delivery of the Note have been duly authorized by all necessary action on the part of the Agency and will not violate or conflict with the Act, or any agreement, indenture or other instrument by which the Agency or any of its material properties is bound.

(b) Validity, Etc. This Agreement, the Note and the Resolution are or will be valid and binding obligations of the Agency enforceable against the Agency in accordance with their respective terms, except to the extent that enforceability may be subject to valid bankruptcy, insolvency, financial emergency, reorganization, moratorium or similar laws relating to or from time to time affecting the enforcement of creditors' rights and except to the extent that the availability of certain remedies may be precluded by general principles of equity.

(c) No Financial Material Adverse Change. No material adverse change in the financial condition of the Agency or the Increment Revenues has occurred since the most recent audited financial statements of the Agency.

(d) Powers of Agency. The Agency has the legal power and authority to pledge the Pledged Revenues to the repayment of the Loan as described herein.

(e) Authorizations, etc. No authorization, consent, approval, license, exemption of or registration or filing with any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, has been or will be necessary for the valid execution, delivery and performance by the Agency of this Agreement, the Note and the related documents, except such as have been obtained, given or accomplished.

(f) No Lien. The Increment Revenues are not now pledged or encumbered in any manner.

**Section 2.02. Covenants of the Agency.** The Agency covenants as follows:

(a) The Agency will not take any action to reduce the boundaries of the redevelopment area of the Agency as such exists on the date hereof.

(b) To provide the Bank within 30 days of adoption, its annual budget including the budgeted Increment Revenues for the applicable Fiscal Year and to provide the Bank the City's comprehensive annual financial report within 15 days of completion thereof.

**Section 2.03. Representations and Warranties of Bank.** The Bank represents and warrants to the Agency as follows:

(a) Existence. The Bank is a Florida state bank, authorized to do business in the State of Florida, with full power to enter into this Agreement, to perform its obligations hereunder and to make the Loan. The performance of this Agreement on the part of the Bank and the making of the Loan have been duly authorized by all necessary action on the part of the Bank and will not violate or conflict with applicable law or any material agreement, indenture or other instrument by which the Bank or any of its material properties is bound.

(b) Validity. This Agreement is a valid and binding obligation of the Bank enforceable against the Bank in accordance with its terms, except to the extent that enforceability may be subject to valid bankruptcy, insolvency, financial emergency, reorganization, moratorium or similar laws relating to or from time to time affecting the enforcement of creditors' rights (and specifically creditors' rights as the same relate to banks) and except to the extent that the availability of certain remedies may be precluded by general principles of equity.

(c) Knowledge and Experience. The Bank (i) has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of making the Loan, (ii) has received and reviewed such financial information concerning the Agency and the City as it has needed in order to fairly evaluate the merits and risks of making the Loan; and (iii) is purchasing the Note as an investment for its own account and not with a view toward resale to the public.

(d) Commitment. The Bank's Commitment letter is superseded by this Agreement.



## ARTICLE III

### THE NOTE

**Section 3.01. Purpose and Use.** On the date of this Agreement, the Bank shall make available to the Agency the Loan in the principal amount of \$1,000,000. The proceeds available under this Agreement shall be used solely to finance the Project and to pay costs of issuing the Note.

**Section 3.02. The Note.** The Note shall be substantially in the form set forth as **Exhibit "A"** to this Agreement. The general terms of the Note shall be as follows:

(a) Amount of Note. The aggregate principal amount of the Note shall be \$1,000,000.

(b) Interest. The Note shall bear interest at the Note Rate. Upon the occurrence of the event specified in Section 3.03 of this Agreement, the Note Rate shall be adjusted as therein provided. Interest on the Note shall be computed on the basis of 12, 30-day months and a 360-day year.

(c) Prepayments. The Note may be prepaid by the Agency in whole or in part at any time at a prepayment price of 100% of the principal amount to be redeemed plus accrued interest to the prepayment date.

(d) Any prepayments shall be applied first to accrued interest including any Additional Amount, then to other amounts owed the Holder and finally to principal last maturing under the Note.

(e) Principal Payments. The principal of the Note shall be paid as provided in the Note.

**Section 3.03. Adjustment to Note Rate.** The Note Rate shall be subject to adjustment by the Holder as hereinafter described.

If a "Determination of Taxability" shall occur the interest rate on the Note shall be adjusted so as to cause the yield on the Note to equal what the yield on the Note would have been in the absence of such Determination of Taxability (the "Taxable Rate").

Within 60 days of a Determination of Taxability, the Agency agrees to pay to the Bank any Additional Amount (as defined herein). "Additional Amount" means (i) the difference between (a) interest on the Note for the period commencing on the date on which the interest on the Note (or portion thereof) loses its "tax-exempt" status and ending on the date the interest rate on the Note becomes the Taxable Rate (the "Adjustment Period") at a rate equal to the Taxable Rate and (b) the aggregate amount of interest payable on the Note for the Adjustment Period under the provisions of the Note without considering the Determination of Taxability, plus (ii) any penalties and interest paid or payable by the Holder to the Internal Revenue Service by reason of such Determination of Taxability.

**Section 3.04. Conditions Precedent to Issuance of Note.** Prior to or simultaneously with the issuance of the Note, there shall be filed with the Bank the following, each in form and substance reasonably acceptable to the Bank:

(a) an opinion of counsel to the Agency and the City substantially to the effect that (i) the Resolution has been duly adopted by the Agency, the City Resolution has been duly adopted by the City and this Agreement, the Note and the Interlocal Agreement has been duly authorized, executed and delivered by the Agency and each constitutes a valid, binding and enforceable agreement of the Agency or the City as applicable in accordance with their respective terms, except to the extent that the enforceability of the rights and remedies set forth herein may be limited by bankruptcy, insolvency, financial emergency or other laws affecting creditors' rights generally or by usual equity principles; (ii) the Agency's execution, delivery and performance of this Agreement and execution and issuance of the Note are not subject to any authorization, consent, approval or review of any governmental body, public officer or regulatory authority not heretofore obtained or effected; (iii) the execution, issuance and delivery of the Note has been duly and validly authorized by the Agency and the City, and the Note constitutes a valid and binding special obligation of the Agency enforceable in accordance with its terms; (iv) the Agency (A) is a community redevelopment agency duly organized and validly existing under the laws of the State of Florida, and (B) has power and authority to adopt the Resolution, to execute and deliver this Agreement, to execute and deliver the Note, and to consummate the transactions contemplated by such instruments; (v) the execution, delivery and performance of the Note and this Agreement, and compliance with the terms thereof and hereof, under the circumstances contemplated hereby, do not and will not in any material respect conflict with, or constitute on the part of the Agency a breach or default under, any indenture, mortgage, deed of trust, agreement or other instrument to which the Agency or to which its properties are subject or conflict with, violate or result in a breach of any existing law, administrative rule or regulation, judgment, court order or consent decree to which the Agency or its properties are subject; (vi) to the best of such counsel's knowledge, there is no claim, action, suit, proceeding, inquiry, investigation, litigation or other proceeding, at law or in equity, pending or threatened in any court or other tribunal, state or federal (W) restraining or enjoining, or seeking to restrain or enjoin, the issuance, sale, execution or delivery of the Note, (X) in any way questioning or affecting the validity or enforceability of any provision of this Agreement, the Note, the Interlocal Agreement or the Resolution or the City Resolution, (Y) in any way questioning or affecting the validity of any of the proceedings or authority for the authorization, sale, execution or delivery of the Note, or of any provision made or authorized for the payment thereof, or (Z) questioning or affecting the organization or existence of the Agency or the right of any of its officers to their respective offices; (vii) the Agency has the legal power to make the capital improvements that comprise the Project and to pay associated costs of issuance, to impose and collect the Increment Revenues and to grant a lien on the Pledged Revenues as described herein and in the Resolution; (viii) the City has the legal power to enter into the Interlocal Agreement and consummate the transactions contemplated thereby (ix) all conditions contained in the ordinances and resolutions of the Agency and the City precedent to the issuance of the Note have been complied with.

(b) an opinion of Bond Counsel (who may rely on opinion of counsel to the Agency), substantially to such effect that such counsel is of the opinion that: (i) this Loan Agreement constitutes a valid and binding obligation of the Agency enforceable upon the

Agency in accordance with its terms; (ii) the Note is a valid and binding special obligation of the Agency enforceable in accordance with its terms, payable solely from the sources provided therefor in this Loan Agreement; (iii) assuming compliance by the Agency with certain covenants relating to requirements contained in the Code, interest on the Note is excluded from gross income for purposes of federal income taxation; and (iv) the Note is a "qualified tax-exempt obligation" pursuant to Section 265 of the Code.

(c) a copy of a completed and executed Form 8038-G to be filed with the Internal Revenue Service by the Agency;

(d) the original executed Note and Agreement; and

(e) such other documents as the Bank reasonably may request of the Agency and the City.

Payment by the Bank of the purchase price of the Note of \$1.0 million shall be conclusive evidence that the provisions of this Section 3.04 have been complied with.

**Section 3.05. Registration of Transfer; Assignment of Rights of Bank.** The Agency shall keep at its offices the registration of the Note and the registration of transfers of the Note as provided in this Agreement. The transfer of the Note may be registered only upon the books kept for the registration of the Note and registration of transfer thereof upon surrender thereof to the Agency together with an assignment duly executed by the Bank or its attorney or legal representative in the form of the assignment set forth on the form of the Note attached as Exhibit A to this Agreement; provided, however, that the Note may be transferred only in whole and not in part. In the case of any such registration of transfer, the Agency shall execute and deliver in exchange for the Note a new Note registered in the name of the transferee. In all cases in which the Note shall be transferred hereunder, the Agency shall execute and deliver at the earliest practicable time a new Note in accordance with the provisions of this Agreement. The Agency may make a charge for every such registration of transfer of a Note sufficient to reimburse it for any tax or other governmental charges required to be paid with respect to such registration of transfer, but no other charge shall be made for registering the transfer hereinabove granted. The Note shall be issued in fully registered form and shall be payable in any lawful coin or currency of the United States.

The registration of transfer of the Note on the registration books of the Agency shall be deemed to effect a transfer of the rights and obligations of the Bank under this Agreement to the transferee. Thereafter, such transferee shall be deemed to be the Bank under this Agreement and shall be bound by all provisions of this Agreement that are binding upon the Bank. The Agency and the transferor shall execute and record such instruments and take such other actions as the Agency and such transferee may reasonably request in order to confirm that such transferee has succeeded to the capacity of Bank under this Agreement and the Note.

The registered owner of the Note is hereby granted power to transfer absolute title thereof by assignment thereof to a bona fide purchaser for value (present or antecedent) without notice of prior defenses or equities or claims of ownership enforceable against such owner's assignor or any person in the chain of title and before the maturity of the Note; provided, however, that the

Note may be transferred only in whole and not in part and provided further, that no transfer shall be permitted absent the Agency's (and the Bank's) receipt of a certificate in form and substance similar to the one included as part of Exhibit A hereto from such proposed transferee. Every prior registered owner of the Note shall be deemed to have waived and renounced all of such owner's equities or rights therein in favor of every such bona fide purchaser, and every such bona fide purchaser shall acquire absolute title thereto and to all rights represented thereby.

In the event any Note is mutilated, lost, stolen, or destroyed, the Agency shall execute a new Note of like date and denomination as that mutilated, lost, stolen or destroyed, provided that, in the case of any mutilated Note, such mutilated Note shall first be surrendered to the Agency, and in the case of any lost, stolen, or destroyed Note, there first shall be furnished to the Agency evidence of such loss, theft or destruction together with an indemnity satisfactory to it.

**Section 3.06. Ownership of the Note.** The person in whose name the Note is registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the Note shall be made only to the registered owner thereof or such owner's legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon the Note, and interest thereon, to the extent of the sum or sums so paid.

**Section 3.07. Use of Proceeds of Note Permitted Under Applicable Law.** The Agency represents, warrants and covenants that the proceeds of the Note will be used solely for the Project and costs of issuance of the Note, and that such use is permitted by applicable law.

**Section 3.08. Authentication.** Until the Note shall have endorsed thereon a certificate of authentication substantially in the form set forth in Exhibit A, duly executed by the manual signature of the registrar as authenticating agent, it shall not be entitled to any benefit or security under this Agreement. The Note shall not be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly adopted by the registrar, and such certificate of the registrar upon the Note shall be conclusive evidence that such Note has been duly authenticated and delivered under this Loan Agreement.

## ARTICLE IV

### COVENANTS OF THE AGENCY

**Section 4.01. Performance of Covenants.** The Agency covenants that it will perform faithfully at all times its covenants, undertakings and agreements contained in this Agreement and the Note or in any proceedings of the Agency relating to the Loan, that it will take all necessary steps to receive the Pledged Revenues, and that it will do nothing to jeopardize its ability to receive the Pledged Revenues.

**Section 4.02. Payment of Note.**

(a) The Agency covenants that it will promptly pay from the first available Pledged Revenues the principal of and interest on the Note and other costs and expenses due and payable to the Bank under this Agreement at the place, on the dates and in the manner provided herein and in the Note, in accordance with the terms thereof. The Agency shall take all actions to enforce any obligation of the City under the Interlocal Agreement. The Agency does hereby

irrevocably pledge the Pledged Revenues as security for the repayment of the Note. The Agency hereby represents that the Increment Revenues are not pledged or encumbered except for the payments due on the Note.

(b) The Note will be a special obligation of the Agency secured solely by the Pledged Revenues. The Note will not constitute a general debt, liability or obligation of the Agency or the State of Florida or any political subdivision thereof within the meaning of any constitutional or statutory provision. The Note shall not constitute a lien upon any property of the Agency except upon the Pledged Revenues.

**Section 4.03. Tax Covenant.** The Agency covenants to the purchasers of the Note provided for in this Agreement that the Agency will not make any use of the proceeds of the Note at any time during the respective terms of such Note which, if such use had been reasonably expected on the date the Note was issued, would have caused such Note to be an "arbitrage bond" within the meaning of the Code. The Agency will comply with the requirements of the Code and any valid and applicable rules and regulations promulgated thereunder necessary to insure the exclusion of interest on the Note from the gross income of the holders thereof for purposes of federal income taxation.

**Section 4.04. Additional Debt.** The Agency will not issue any debt payable on a parity with the Note from the Increment Revenues ("Parity Debt") unless there shall have been obtained and filed with the Agency a statement of the CRA Treasurer or City Finance Director (1) setting forth the amount of the Increment Revenues which have been received by the Agency during the most recent Fiscal Year for which audited financial statements are available; and (2) stating that the amount of the Increment Revenues received during the aforementioned twelve month period equals at least 1.20 times the maximum annual debt service of the Note any debt then outstanding payable on parity with the Note from the Tax Increment Revenues and the proposed Parity Debt.

In the event any Parity Debt is to be issued for the purpose of refunding any Parity Debt then outstanding, the conditions above shall not apply, provided that the issuance of such Parity Debt shall not result in an increase in the aggregate amount of principal of and interest becoming due in the current Fiscal Year or in any subsequent Fiscal Years.

**Section 4.05. Compliance with Laws and Regulations.** The Agency shall maintain compliance with all federal, state and local laws and regulations regarding the acquisition, construction and maintenance of the Project.

## ARTICLE V

### EVENTS OF DEFAULT AND REMEDIES

**Section 5.01. Events of Default.** Each of the following is hereby declared an "Event of Default:"

(a) payment of the principal of the Note shall not be made within ten (10) days when the same shall become due and payable;

(b) payment of any installment of interest on the Note, including but not limited to any Additional Amount, shall not be made within ten (10) days when the same shall become due and payable; or

(c) the Agency shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Note or in this Agreement and such default shall continue for 30 days after written notice shall have been given to the Agency by the Noteholder specifying such default and requiring the same to be remedied; provided, however, that if, in the reasonable judgment of the Noteholder, the Agency shall proceed to take such curative action which, if begun and prosecuted with due diligence, cannot be completed within a period of 30 days, then such period shall be increased to such extent as shall be necessary to enable the Agency to diligently complete such curative action; or

(d) any proceedings are instituted with the consent or acquiescence of the Agency, for the purpose of effecting a compromise between the Agency and its creditors or for the purpose of adjusting the claims of such creditors, pursuant to any federal or state statute now or hereinafter enacted; or

(e) the Agency admits in writing its inability to pay its debts generally as they become due, or files a petition in bankruptcy or makes an assignment for the benefit of its creditors, declares a financial emergency or consents to the appointment of a receiver or trustee for itself or shall file a petition or answer seeking reorganization or any arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof; or

(f) the Agency is adjudged insolvent by a court of competent jurisdiction or is adjudged bankrupt on a petition of bankruptcy filed against the Agency, or an order, judgment or decree is entered by any court of competent jurisdiction appointing, without the consent of the Agency, a receiver or trustee of the Agency or of the whole or any part of its property and any of the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within 60 days from the date of entry thereof; or

(g) if, under the provisions of any law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Agency or of the whole or any substantial part of its property and such custody or control shall not be terminated within 90 days from the date of assumption of such custody or control.

**Section 5.02. Exercise of Remedies.** Upon the occurrence and during the continuance of an Event of Default, the Note shall bear interest at the Default Rate and all payments made on the Note during any such period shall be applied first to accrued interest including any Additional Amounts, then to any other amounts owed to the Noteholder and then to principal. Upon the occurrence and during the continuance of an Event of Default, a Noteholder may proceed to protect and enforce its rights under the laws of the State of Florida or under this Agreement by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for the specific performance of any covenant or agreement contained herein or in aid or execution of any power herein granted or for the enforcement of any proper legal or equitable remedy, as a Noteholder shall deem most

effective to protect and enforce such rights provided that acceleration of the payments due on the Note shall not be a remedy hereunder and the non-prevailing party shall pay to prevailing party all costs of collection and any litigation, together with attorney fees (including any bankruptcy and/or appeals relating to such enforcement or collection proceedings.

**Section 5.03. Waivers, Etc.** No delay or omission of a Noteholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or any acquiescence therein; and every power and remedy given by this Agreement to a Noteholder may be exercised from time to time and as often as may be deemed expedient.

A Noteholder may waive any default which in its opinion shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions of this Agreement or before the completion of the enforcement of any other remedy under this Agreement, but no such waiver shall be effective unless in writing and no such waiver shall extend to or affect any other existing or any subsequent default or defaults or impair any rights or remedies consequent thereon.

## ARTICLE VI

### MISCELLANEOUS PROVISIONS

**Section 6.01. Covenants of Agency, Etc.; Successors.** All of the covenants, stipulations, obligations and agreements contained in this Agreement shall be deemed to be covenants, stipulations, obligations and agreements of the Agency to the full extent authorized or permitted by law, and all such covenants, stipulations, obligations and agreements shall be binding upon the successor or successors thereof from time to time, and upon any officer, board, commission, authority, agency or instrumentality to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law.

**Section 6.02. Term of Agreement.** This Agreement shall be in full force and effect from the date hereof until the Note and all other sums payable to the Bank hereunder have been paid in full except for those obligations under Section 3.03 hereof which survive payment of the Note.

**Section 6.03. Amendments and Supplements.** This Agreement may be amended or supplemented from time to time only by a writing duly executed by each of the Agency and the Noteholders.

**Section 6.04. Notices.** Any notice, demand, direction, request or other instrument authorized or required by this Agreement to be given to or filed with the Agency or the Bank, shall be deemed to have been sufficiently given or filed for all purposes of this Agreement if and when sent by certified mail, return receipt requested:

(a) As to the Agency:

Greater Leesburg Community Redevelopment Agency  
501 W. Meadow Street  
Leesburg, FL 34748  
Attention: Treasurer

(b) As to the Bank:

Citizens First Bank  
1050 Lake Sumter Landing  
The Villages, Florida 32162

or at such other address as shall be furnished in writing by any such party to the other, and shall be deemed to have been given as of the date so delivered or deposited in the United States mail.

Either party may, by notice sent to the other, designate a different or additional address to which notices under this Agreement are to be sent.

**Section 6.05. Benefits Exclusive.** Except as herein otherwise provided, nothing in this Agreement, expressed or implied, is intended or shall be construed to confer upon any person, firm or corporation, other than the Agency and the Noteholder, any right, remedy or claim, legal or equitable, under or by reason of this Agreement or any provision hereof, this Agreement and all its provisions being intended to be and being for the sole and exclusive benefit of the Agency and the Noteholder.

**Section 6.06. Severability.** In case any one or more of the provisions of this Agreement, any amendment or supplement hereto or of the Note shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement, any amendment or supplement hereto or the Note, but this Agreement, any amendment or supplement hereto and the Note shall be construed and enforced at the time as if such illegal or invalid provisions had not been contained therein, nor shall such illegality or invalidity or any application thereof affect any legal and valid application thereof from time to time. In case any covenant, stipulation, obligation or agreement contained in the Note or in this Agreement shall for any reason be held to be in violation of law, then such covenant, stipulation, obligation, or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the Agency to the full extent from time to time permitted by law.

**Section 6.07. Payments Due on Non Business Days.** In any case where the date of maturity of interest on or principal of the Note or the date fixed for prepayment of the Note shall not be a Business Day, then payment of such interest or principal shall be made on the next succeeding Business Day with the same force and effect as if paid on the date of maturity or the date fixed for prepayment, and no interest on any such principal amount shall accrue for the period after such date of maturity or such date fixed for prepayment.

**Section 6.08. Counterparts.** This Agreement may be executed in any number of counterparts, each of which when so executed and delivered, shall be an original; but such counterparts shall together constitute but one and the same Agreement, and, in making proof of



this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

**Section 6.09. Applicable Law.** This Agreement shall be governed exclusively by and construed in accordance with the applicable laws of the State of Florida.

**Section 6.10. No Personal Liability.** Notwithstanding anything to the contrary contained herein or in the Note, or in any other instrument or document executed by or on behalf of the Agency in connection herewith, no present or future Commissioner of the Agency or any officer, employee or agent of the City shall be liable in his or her individual capacity, shall be liable personally for any breach or non-observance of or for any failure to perform, fulfill or comply with any such stipulations, covenants, agreements or obligations, nor shall any recourse be had for the payment of the principal of or interest on the Note or for any claim based thereon or on any such stipulation, covenant, agreement or obligation, against any such person, in his or her individual capacity, either directly or through the Agency or any successor to the Agency, under any rule or law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise and all such liability of any such person, in his or her individual capacity, is hereby expressly waived and released.

**Section 6.11. Waiver of Jury Trial.** THE BANK AND THE AGENCY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THE RESOLUTION, THIS AGREEMENT, THE NOTE OR ANY OTHER AGREEMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN), OR ACTIONS OF EITHER PARTY.

**Section 6.12. Incorporation by Reference.** All of the terms and obligations of the Resolution and the Exhibits hereto are hereby incorporated herein by reference as if all of the foregoing were fully set forth in this Agreement. All recitals appearing at the beginning of this Agreement are hereby incorporated herein by reference.

*[SIGNATURES ON FOLLOWING PAGE]*

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first set forth herein.

**GREATER LEESBURG COMMUNITY  
REDEVELOPMENT AGENCY**

By:   
Chairman

ATTEST:

  
Secretary

**CITIZEN FIRST BANK**

By:   
Title: Authorized Officer

## EXHIBIT A

### FORM OF NOTE

ANY HOLDER SHALL, PRIOR TO BECOMING A HOLDER, EXECUTE A PURCHASER'S CERTIFICATE IN THE FORM ATTACHED HERETO CERTIFYING, AMONG OTHER THINGS, THAT SUCH HOLDER IS AN "ACCREDITED INVESTOR" AS SUCH TERM IS DEFINED IN THE SECURITIES ACT OF 1933, AS AMENDED, AND REGULATION D THEREUNDER.

#### GREATER LEESBURG COMMUNITY REDEVELOPMENT AGENCY REDEVELOPMENT REVENUE NOTE SERIES 2015

<u>Principal</u>	<u>Maturity Date</u>	<u>Note Rate</u>	<u>Dated Date</u>
\$1,000,000	October 1, 2026	2.91%	January 14, 2015

GREATER LEESBURG COMMUNITY REDEVELOPMENT AGENCY (the "Agency" or the "Issuer"), for value received, hereby promises to pay, solely from the Pledged Revenues described in the within mentioned Agreement, to the order of Citizens First Bank, a Florida banking corporation (the "Bank"), or its successors or assigns (the "Holder") at 1050 Lake Sumter Landing, The Villages, Florida 32162 at or at such place as the Holder may from time to time designate in writing the Principal Sum stated above on the Maturity Date stated above, except to the extent principal has been paid prior to the Maturity Date by redemption or otherwise, together with any accrued and unpaid interest including any Additional Amount, and to pay (but only out of the sources hereinafter mentioned) interest on the outstanding principal amount hereof from the most recent date to which interest has been paid or provided for, or if no interest has been paid, from the Dated Date shown above on April 1 and October 1 of each year (each, an "Interest Payment Date"), commencing on April 1, 2015, until payment of said principal sum has been made or provided for, at the Note Rate. Payments due hereunder shall be payable in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts, which payments shall be made to the Holder hereof by check mailed to the Holder at the address designated in writing by the Holder for purposes of payment or by bank wire or bank transfer as such Holder may specify in writing to the Agency or otherwise as the Agency and the Holder may agree.

The Note Rate may be adjusted in accordance with Sections 3.03 of that certain Loan Agreement by and between the Bank and the Agency, dated as of January 14, 2015 (the "Agreement").

All capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement. This Note is secured by the Agreement and the terms thereof

Following the occurrence and during the continuance of any Event of Default, as defined in the Agreement, this Note shall bear interest at the Default Rate, as defined in the Agreement. Interest on this Note shall be computed on the basis of a 360 day year of 12, 30-day months.

Any payment of principal and /or interest on the Note not paid within ten (10) days of the due date shall be subject to a late fee of five percent (5%) of the delinquent amount.

The Note may be prepaid by the Agency in whole or in part at any time at a prepayment price of 100% of the principal amount to be redeemed plus accrued interest to the prepayment date upon at least five (5) days notice of such prepayment from the Agency to the Holder. Any prepayments shall be applied as provided in the Agreement.

Notice having been given as aforesaid, the principal amount stated in such notice or the whole thereof, as the case may be, shall become due and payable on the prepayment date stated in such notice, together with interest accrued and unpaid to the prepayment date on the principal amount then being paid and the amount of principal and interest including any Additional Amount and any other amounts owned then due and payable shall be paid. If, on the prepayment date, funds for the payment of the principal amount to be prepaid, together with interest to the prepayment date on such principal amount, shall have been given to the Holder, as above provided, then from and after the prepayment date interest on such principal amount of this Note shall cease to accrue. If said funds shall not have been so paid on the prepayment date, the principal amount of this Note shall continue to bear interest until payment thereof at the applicable Note Rate provided for herein and in the Agreement.

#### Mandatory Redemption of Note

This Note is subject to mandatory redemption in part prior to maturity on each October 1 as follows:

<u>Date</u>	<u>Principal Amount</u>
2015	\$52,000
2016	74,000
2017	77,000
2018	79,000
2019	81,000
2020	83,000
2021	86,000
2022	88,000
2023	91,000
2024	94,000
2025	96,000
2026	99,000

This Note is authorized to be issued under the authority of and in full compliance with the Constitution and Statutes of the State of Florida, including, particularly, Chapter 163, Part III, Florida Statutes, the Florida Constitution, Resolution No. 31 of the Agency (the "Resolution"), Resolution No. 9533 of the City of Leesburg, Florida and other applicable provisions of law, and is subject to all terms and conditions of the Agreement and the Resolution.

Notwithstanding any provision in this Note to the contrary, in no event shall the interest contracted for, charged or received in connection with this Note (including any other costs or

considerations that constitute interest under the laws of the State of Florida which are contracted for, charged or received) exceed the maximum rate of nonusurious interest allowed under the State of Florida as presently in effect and to the extent an increase is allowable by such laws, but in no event shall any amount ever be paid or payable by the Issuer greater than the amount contracted for herein. In the event the maturity of this Note is prepaid in accordance with the provisions hereof, then such amounts that constitute payments of interest, together with any costs or considerations which constitute interest under the laws of the State of Florida, may never exceed an amount which would result in payment of interest at a rate in excess of that permitted by Section 215.84(3), Florida Statutes, as presently in effect and to the extent an increase is allowable by such laws; and excess interest, if any, shall be cancelled automatically as of the date of such prepayment, or, if theretofore paid, shall be credited on the principal amount of this Note unpaid, but such crediting shall not cure or waive any default under the Agreement or Resolution.

THIS NOTE, WHEN DELIVERED BY THE AGENCY PURSUANT TO THE TERMS OF THE AGREEMENT AND THE RESOLUTION, SHALL NOT BE OR CONSTITUTE AN INDEBTEDNESS OF THE AGENCY OR THE STATE OF FLORIDA (THE "STATE"), WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER LIMITATIONS OF INDEBTEDNESS, BUT SHALL BE PAYABLE SOLELY FROM THE PLEDGED REVENUES AS PROVIDED IN THE AGREEMENT. THE HOLDER SHALL NEVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER, OR TAXATION IN ANY FORM OF ANY PROPERTY THEREIN TO PAY THIS NOTE OR THE INTEREST THEREON.

The Agency hereby waives presentment, demand, protest and notice of dishonor. This Note is governed and controlled by the Agreement and reference is hereby made thereto regarding interest rate adjustments, acceleration, and other matters.

IN WITNESS WHEREOF, the Agency has caused this Note to be signed by its Chairman, either manually or with facsimile signature, and attested by the Secretary, either manually or with facsimile signature, and this Note to be dated the Dated Date set forth above.

**GREATER LEESBURG COMMUNITY  
REDEVELOPMENT**

By: \_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Secretary

## FORM OF CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This Note is being delivered pursuant to the within mentioned Agreement.

**GREATER LEESBURG COMMUNITY  
REDEVELOPMENT**

By: \_\_\_\_\_  
Secretary

## ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto \_\_\_\_\_ (please print or typewrite name, address and tax identification number of assignee) \_\_\_\_\_ the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ Attorney to transfer the within Note on the books kept for registration thereof, with full power of substitution in the premises.

Name of Noteholder: \_\_\_\_\_

By: \_\_\_\_\_

## **PURCHASER'S CERTIFICATE**

Greater Leesburg Community Redevelopment  
Agency (the "Agency")

Ladies and Gentlemen:

The undersigned, as a purchaser of the \$\_\_\_\_\_ Greater Leesburg Community Redevelopment Agency Redevelopment Revenue Note, Series 2015 (the "Note") dated January 14, 2015 consisting of one typewritten Note, hereby certifies that we have been provided (a) a copy of Agency Resolution No. \_\_\_\_\_, adopted by the Agency on January 12, 2015, authorizing the issuance of the Note and (the "Resolution"), (b) the Loan Agreement dated as of January 14, 2015 between the Agency and as assignee of Citizens First Bank (the "Agreement"), and (c) such financial and general information respecting the Pledged Revenues (as such term is defined in the Agreement), and the Note described above as we deem necessary to enable us to make an informed investment judgment with respect to the purchase of said Note.

We hereby make the following representations, which representations may be relied upon by the Agency:

A. We are aware:

- (i) that investment in the Note involves various risks;
- (ii) that the Note is not a general obligation of the Agency; and
- (iii) that the principal or premium, if any, and interest on the Note is payable solely from the sources specified in the Agreement.

B. We understand that no official statement, offering memorandum or other form of offering document has been prepared or is being used in connection with the offering or sale of the Note (collectively, "Disclosure Documents"), but we have been afforded access to all information we have requested in making our decision to purchase the Note and have had sufficient opportunity to discuss the business of the Agency with its members, employees and others. We have not requested any Disclosure Documents in connection with the sale of the Note. We do not require any further information or data incident to our purchase of the Note.

C. In purchasing the Note, we have relied solely upon our own investigation, examination, and evaluation of the Agency, the Pledged Revenues and other relevant matters.

D. We have knowledge and experience in financial and business matters and are capable of evaluating the merits and risks of our investment in the Note and have determined that we can bear the economic risk of our investment in the Note.



E. We acknowledge the understanding that the Note is not being registered under the Securities Act of 1933, as amended (the "1933 Act") or Chapter 517, Florida Statutes, and that the Resolution and Agreement are not being qualified under the Trust Indenture Act of 1939, as amended, and that the City shall have no obligation to effect any such registration or qualification.

F. We are making the loan evidenced by the Note with our own capital as an investment for our own account. We do not currently intend to syndicate the Note. Although we retain the right to transfer the Note in the future, we understand that the Note may not be readily transferable.

G. We have received all documents requested by us incident to our purchase of the Note.

H. We acknowledge that we are an "accredited investor" within the meaning of Chapter 517, Florida Statutes and Regulation D of the 1933 Act.

I. We have not asked that the Note bear a CUSIP and we do not intend to seek a CUSIP for the Note.

J. We understand that the City has not made and will not make any filing with respect to the Note with EMMA, the Municipal Securities Rulemaking Board's continuing disclosure site.

K. There will be no credit rating obtained for the Note and we have not asked for or sought such a rating.

Signed as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

By: \_\_\_\_\_  
Authorized Officer

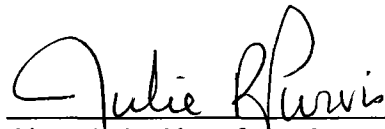
### INCUMBENCY CERTIFICATE

The undersigned, Andi Purvis, the duly appointed, qualified and acting City Clerk of the City of Leesburg, Florida (the "City") and Secretary of the Greater Leesburg Community Redevelopment Agency, Leesburg, Florida (the "Agency") and the keeper of the records of the City and the Agency, HEREBY CERTIFIES that:

The following are now the duly appointed or elected, qualified and acting indicated officers of the City and the Agency:

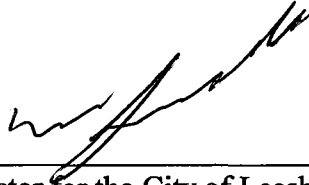
Elise Dennison, Mayor of the City and Chairman of the Agency  
Al Minner, City Manager  
Fred Morrison of Mclin & Burnsed P.A., City and Agency Attorney  
Bill Spinelli, CPA, City Finance Director and Agency Treasurer

IN WITNESS WHEREOF, I have hereunto set my hand as of this 14<sup>th</sup> day of January, 2015.



\_\_\_\_\_  
City Clerk, City of Leesburg, Florida and Secretary  
of the Agency

I, Bill Spinelli, Finance Director for the City of Leesburg, Florida, do hereby certify that Andi Purvis is a duly qualified City Clerk of the City of Leesburg, Florida and Secretary of the Agency.



\_\_\_\_\_  
Finance Director for the City of Leesburg, Florida

**CERTIFICATE AS TO SPECIMEN NOTE**

The undersigned, duly appointed, qualified and acting Secretary of the Greater Leesburg Community Redevelopment Agency (the "Agency") HEREBY CERTIFIES that attached hereto as an exhibit is a specimen of the Greater Leesburg Community Redevelopment Agency Redevelopment Revenue Note, Series 2015 dated January 14, 2015 (the "Note"), in fully registered form, which specimen is identical in all respects, except as to execution and authentication, to the Note this day delivered for the account of Citizens First Bank.

IN WITNESS WHEREOF, I have hereunto set my hand as of this 14<sup>th</sup> day of January, 2015.

**GREATER LEESBURG COMMUNITY  
REDEVELOPMENT AGENCY**

  
Secretary

ANY HOLDER SHALL, PRIOR TO BECOMING A HOLDER, EXECUTE A PURCHASER'S CERTIFICATE IN THE FORM ATTACHED HERETO CERTIFYING, AMONG OTHER THINGS, THAT SUCH HOLDER IS AN "ACCREDITED INVESTOR" AS SUCH TERM IS DEFINED IN THE SECURITIES ACT OF 1933, AS AMENDED, AND REGULATION D THEREUNDER.

**GREATER LEESBURG COMMUNITY REDEVELOPMENT AGENCY  
REDEVELOPMENT REVENUE NOTE  
SERIES 2015**

<u>Principal</u>	<u>Maturity Date</u>	<u>Note Rate</u>	<u>Dated Date</u>
\$1,000,000	October 1, 2026	2.91%	January 14, 2015

GREATER LEESBURG COMMUNITY REDEVELOPMENT AGENCY (the "Agency" or the "Issuer"), for value received, hereby promises to pay, solely from the Pledged Revenues described in the within mentioned Agreement, to the order of Citizens First Bank, a Florida banking corporation (the "Bank"), or its successors or assigns (the "Holder") at 1050 Lake Sumter Landing, The Villages, Florida 32162 at or at such place as the Holder may from time to time designate in writing the Principal Sum stated above on the Maturity Date stated above, except to the extent principal has been paid prior to the Maturity Date by redemption or otherwise, together with any accrued and unpaid interest including any Additional Amount, and to pay (but only out of the sources hereinafter mentioned) interest on the outstanding principal amount hereof from the most recent date to which interest has been paid or provided for, or if no interest has been paid, from the Dated Date shown above on April 1 and October 1 of each year (each, an "Interest Payment Date"), commencing on April 1, 2015, until payment of said principal sum has been made or provided for, at the Note Rate. Payments due hereunder shall be payable in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts, which payments shall be made to the Holder hereof by check mailed to the Holder at the address designated in writing by the Holder for purposes of payment or by bank wire or bank transfer as such Holder may specify in writing to the Agency or otherwise as the Agency and the Holder may agree.

The Note Rate may be adjusted in accordance with Sections 3.03 of that certain Loan Agreement by and between the Bank and the Agency, dated as of January 14, 2015 (the "Agreement").

All capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement. This Note is secured by the Agreement and the terms thereof

Following the occurrence and during the continuance of any Event of Default, as defined in the Agreement, this Note shall bear interest at the Default Rate, as defined in the Agreement. Interest on this Note shall be computed on the basis of a 360 day year of 12, 30-day months. Any payment of principal and /or interest on the Note not paid within ten (10) days of the due date shall be subject to a late fee of five percent (5%) of the delinquent amount.

The Note may be prepaid by the Agency in whole or in part at any time at a prepayment price of 100% of the principal amount to be redeemed plus accrued interest to the prepayment

date upon at least five (5) days notice of such prepayment from the Agency to the Holder. Any prepayments shall be applied as provided in the Agreement.

Notice having been given as aforesaid, the principal amount stated in such notice or the whole thereof, as the case may be, shall become due and payable on the prepayment date stated in such notice, together with interest accrued and unpaid to the prepayment date on the principal amount then being paid and the amount of principal and interest including any Additional Amount and any other amounts owned then due and payable shall be paid. If, on the prepayment date, funds for the payment of the principal amount to be prepaid, together with interest to the prepayment date on such principal amount, shall have been given to the Holder, as above provided, then from and after the prepayment date interest on such principal amount of this Note shall cease to accrue. If said funds shall not have been so paid on the prepayment date, the principal amount of this Note shall continue to bear interest until payment thereof at the applicable Note Rate provided for herein and in the Agreement.

#### Mandatory Redemption of Note

This Note is subject to mandatory redemption in part prior to maturity on each October 1 as follows:

<u>Date</u>	<u>Principal Amount</u>
2015	\$52,000
2016	74,000
2017	77,000
2018	79,000
2019	81,000
2020	83,000
2021	86,000
2022	88,000
2023	91,000
2024	94,000
2025	96,000
2026	99,000

This Note is authorized to be issued under the authority of and in full compliance with the Constitution and Statutes of the State of Florida, including, particularly, Chapter 163, Part III, Florida Statutes, the Florida Constitution, Resolution No. 31 of the Agency (the "Resolution"), Resolution No. 9533 of the City of Leesburg, Florida and other applicable provisions of law, and is subject to all terms and conditions of the Agreement and the Resolution.

Notwithstanding any provision in this Note to the contrary, in no event shall the interest contracted for, charged or received in connection with this Note (including any other costs or considerations that constitute interest under the laws of the State of Florida which are contracted for, charged or received) exceed the maximum rate of nonusurious interest allowed under the State of Florida as presently in effect and to the extent an increase is allowable by such laws, but in no event shall any amount ever be paid or payable by the Issuer greater than the amount contracted for herein. In the event the maturity of this Note is prepaid in accordance with the

provisions hereof, then such amounts that constitute payments of interest, together with any costs or considerations which constitute interest under the laws of the State of Florida, may never exceed an amount which would result in payment of interest at a rate in excess of that permitted by Section 215.84(3), Florida Statutes, as presently in effect and to the extent an increase is allowable by such laws; and excess interest, if any, shall be cancelled automatically as of the date of such prepayment, or, if theretofore paid, shall be credited on the principal amount of this Note unpaid, but such crediting shall not cure or waive any default under the Agreement or Resolution.

THIS NOTE, WHEN DELIVERED BY THE AGENCY PURSUANT TO THE TERMS OF THE AGREEMENT AND THE RESOLUTION, SHALL NOT BE OR CONSTITUTE AN INDEBTEDNESS OF THE AGENCY OR THE STATE OF FLORIDA (THE "STATE"), WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR CHARTER LIMITATIONS OF INDEBTEDNESS, BUT SHALL BE PAYABLE SOLELY FROM THE PLEDGED REVENUES AS PROVIDED IN THE AGREEMENT. THE HOLDER SHALL NEVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER, OR TAXATION IN ANY FORM OF ANY PROPERTY THEREIN TO PAY THIS NOTE OR THE INTEREST THEREON.

The Agency hereby waives presentment, demand, protest and notice of dishonor. This Note is governed and controlled by the Agreement and reference is hereby made thereto regarding interest rate adjustments, acceleration, and other matters.

IN WITNESS WHEREOF, the Agency has caused this Note to be signed by its Chairman, either manually or with facsimile signature, and attested by the Secretary, either manually or with facsimile signature, and this Note to be dated the Dated Date set forth above.

**GREATER LEESBURG COMMUNITY  
REDEVELOPMENT**

By: \_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Secretary

FORM OF CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This Note is being delivered pursuant to the within mentioned Agreement.

**GREATER LEESBURG COMMUNITY  
REDEVELOPMENT**

By: \_\_\_\_\_  
Secretary

SPECIMEN

## ASSIGNMENT

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto \_\_\_\_\_ (please print or typewrite name, address and tax identification number of assignee) \_\_\_\_\_ the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ Attorney to transfer the within Note on the books kept for registration thereof, with full power of substitution in the premises.

Name of Noteholder: \_\_\_\_\_

By: \_\_\_\_\_



## PURCHASER'S CERTIFICATE

Greater Leesburg Community Redevelopment  
Agency (the "Agency")

Ladies and Gentlemen:

The undersigned, as a purchaser of the \$ \_\_\_\_\_ Greater Leesburg Community Redevelopment Agency Redevelopment Revenue Note, Series 2015 (the "Note") dated January 14, 2015 consisting of one typewritten Note, hereby certifies that we have been provided (a) a copy of Agency Resolution No. \_\_\_\_\_, adopted by the Agency on January 12, 2015, authorizing the issuance of the Note and (the "Resolution"), (b) the Loan Agreement dated as of January 14, 2015 between the Agency and as assignee of Citizens First Bank (the "Agreement"), and (c) such financial and general information respecting the Pledged Revenues (as such term is defined in the Agreement), and the Note described above as we deem necessary to enable us to make an informed investment judgment with respect to the purchase of said Note.

We hereby make the following representations, which representations may be relied upon by the Agency:

A. We are aware:

- (i) that investment in the Note involves various risks;
- (ii) that the Note is not a general obligation of the Agency; and
- (iii) that the principal or premium, if any, and interest on the Note is payable solely from the sources specified in the Agreement.

B. We understand that no official statement, offering memorandum or other form of offering document has been prepared or is being used in connection with the offering or sale of the Note (collectively, "Disclosure Documents"), but we have been afforded access to all information we have requested in making our decision to purchase the Note and have had sufficient opportunity to discuss the business of the Agency with its members, employees and others. We have not requested any Disclosure Documents in connection with the sale of the Note. We do not require any further information or data incident to our purchase of the Note.

C. In purchasing the Note, we have relied solely upon our own investigation, examination, and evaluation of the Agency, the Pledged Revenues and other relevant matters.

D. We have knowledge and experience in financial and business matters and are capable of evaluating the merits and risks of our investment in the Note and have determined that we can bear the economic risk of our investment in the Note.

E. We acknowledge the understanding that the Note is not being registered under the Securities Act of 1933, as amended (the "1933 Act") or Chapter 517, Florida Statutes, and that the Resolution and Agreement are not being qualified under the Trust Indenture Act of 1939, as amended, and that the City shall have no obligation to effect any such registration or qualification.

F. We are making the loan evidenced by the Note with our own capital as an investment for our own account. We do not currently intend to syndicate the Note. Although we retain the right to transfer the Note in the future, we understand that the Note may not be readily transferable.

G. We have received all documents requested by us incident to our purchase of the Note.

H. We acknowledge that we are an "accredited investor" within the meaning of Chapter 517, Florida Statutes and Regulation D of the 1933 Act.

I. We have not asked that the Note bear a CUSIP and we do not intend to seek a CUSIP for the Note.

J. We understand that the City has not made and will not make any filing with respect to the Note with EMMA, the Municipal Securities Rulemaking Board's continuing disclosure site.

K. There will be no credit rating obtained for the Note and we have not asked for or sought such a rating.

Signed as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

By: \_\_\_\_\_  
Authorized Officer

### **CLOSING CERTIFICATE OF THE AGENCY**

The undersigned Chairman and Secretary of the Greater Leesburg Community Redevelopment Agency (the "Agency") do hereby certify in connection with the issuance by the Agency on the date hereof of the Agency's Redevelopment Revenue Note, Series 2015 (the "Note"), to the best of our knowledge, as follows:

1. There is no litigation of which we have notice, and to the best of our knowledge, no litigation is pending or threatened (a) to restrain or enjoin the issuance or delivery of the Note, (b) in any way contesting or affecting the validity of the Agreement, the Interlocal Agreement or the Resolution; (c) in any way contesting the existence or powers of the Agency; (d) to restrain or enjoin the ability of the Agency to perform under the Resolution, the Interlocal Agreement, or the Agreement; or (e) which may result in any material adverse change in the business, property, assets, or financial condition of the Agency or materially impair the ability of the Agency to perform its obligations under the Resolution, the Interlocal Agreement or the Agreement.

2. The Agency is not now and has not been in default as to principal or interest on any debt obligation issued or guaranteed by the Agency since December 31, 1975, to which Agency revenues are pledged.

3. All representations of the Agency in the Agreement are true and correct in all material respects as of the date hereof.

4. The Agency is presently in compliance with all agreements and has satisfied all conditions on its part to be observed or satisfied under the Resolution, the Interlocal Agreement and the Agreement at or prior to the date hereof.

5. The Project is in the "community redevelopment area" of the Agency and within the limits of the City.

6. The Agency has been duly created and was established on March 28, 1996 and is duly existing as a community redevelopment agency.

7. The "community redevelopment plan" for the community redevelopment area has been duly adopted.

8. The expiration date of the community redevelopment plan is at least September 30, 2027.

9. Pursuant to Ordinance No. 96-30 of the City, the City provided for the funding of the redevelopment trust fund for the duration of the community redevelopment plan. Such ordinance was adopted after the City approved the community redevelopment plan.

10. In accordance with Florida Statutes Section 163.346, public notice of the adoption of the Resolution was given at least ten (10) days prior to its adoption, and at least fifteen (15) days notice of the proposed issuance of the Note was given by registered mail to each taxing authority which levies taxes on taxable real property within the boundaries of the redevelopment area.

11. Any written information, reports and other papers and data prepared by the Agency and furnished to the Bank in regard to the Note were, at the time the same were so furnished, complete and correct in all material respects to the extent necessary to give the Bank a true and accurate knowledge of the subject matter thereof. There is no fact, circumstance or condition that has not been disclosed to the Bank in writing by the Agency which materially and adversely affects or, as far as the Agency can now foresee, will materially and adversely affect (i) the Increment Revenues or (ii) the validity or enforceability of, or the authority or ability of the Agency to perform its obligations under, the Resolution or the Note or the Agreement.

12. The Note was signed with the manual signatures of the Chairman and the Secretary who are authorized to execute debt obligations on behalf of the Agency.

13. The information provided to Akerman LLP, Bond Counsel to the Agency, for preparation of Internal Revenue Service Form 8038-G is correct and Bond Counsel is hereby requested to prepare and submit said Form 8038-G.

14. None of the proceeds of the Note will be expended to

- a. construct or expand administrative buildings for public bodies or police and fire buildings;
- b. to install, construct, reconstruct, repair, or alter any publicly owned capital improvements or projects if such projects or improvements were scheduled to be installed, constructed, reconstructed, repaired, or altered within 3 years of the approval of the Agency's community redevelopment plan by the City pursuant to a previously approved public capital improvement or project schedule or plan of the City; or
- c. General government operating expenses unrelated to the planning and carrying out of a community redevelopment plan.

15. Increment Revenues were first deposited in the Agency's redevelopment trust fund in the fiscal year ended September 30, 1998.

Any terms not otherwise defined herein shall have the meanings ascribed thereto in the Loan Agreement dated as of the date hereof between the Agency and the Citizens First Bank (the "Agreement").

IN WITNESS WHEREOF, we have hereunto set our hands as of this 14<sup>th</sup> day of January, 2015.

**GREATER LEESBURG COMMUNITY  
REDEVELOPMENT AGENCY**

A handwritten signature in black ink, appearing to read "Carol Anderson", written over a horizontal line.

Chairman

A handwritten signature in black ink, appearing to read "Julie Purvis", written over a horizontal line.

Secretary

### CLOSING CERTIFICATE OF THE CITY

The undersigned Mayor and Finance Director of the City of Leesburg, Florida (the "City") do hereby certify in connection with the issuance on the date hereof of the Greater Leesburg Community Redevelopment Agency (the "Agency") Redevelopment Revenue Note, Series 2015 (the "Note"), to the best of our knowledge and belief, as follows:

1. In connection with the issuance of the Note, the City adopted its Resolution No. 9533 (the "City Resolution") pursuant to which, among other matters, the City approved and authorized the issuance of the Note by the Agency.

2. There is no litigation of which we have notice, and to the best of our knowledge, no litigation is pending or threatened (a) in any way contesting the existence or powers of the City or the City Commission (b) to restrain or enjoin the ability of the City to perform under the City Resolution or the Interlocal Agreement (as defined in the City Resolution), or (c) which may result in any material adverse change in the business, property, assets, or financial condition of the City.


3. The City is not now and has not been in default as to principal or interest on any debt obligation issued or guaranteed by the City since December 31, 1975, to which City revenues are pledged.

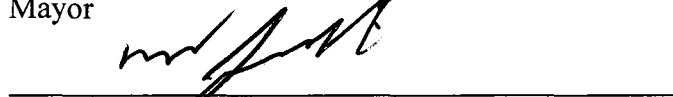
4. The only financial covenant the City has regarding its ability to issue debt or incur obligations secured by or payable from the City's covenant to budget and appropriate Non-Ad Valorem Revenues is the one set forth in the Anti-Dilution Certificate delivered by the City in connection with the issuance of the Note.

Any terms not otherwise defined herein shall have the meanings ascribed thereto in the City Resolution or the loan agreement entered into by the Agency with Citizens Bank in connection with the issuance of the Note.

IN WITNESS WHEREOF, we have hereunto set our hands as of this 14<sup>th</sup> day of January, 2014.

**CITY OF LEESBURG, FLORIDA**

  
\_\_\_\_\_  
Mayor

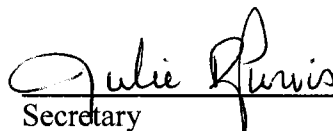
  
\_\_\_\_\_  
Finance Director

**ACCEPTANCE OF DUTIES OF  
REGISTRAR AND PAYING AGENT**

The undersigned, Andi Purvis, Secretary of Greater Leesburg Community Redevelopment Agency (the "Agency"), hereby accepts on behalf of the Agency the duties of the registrar and paying agent, in connection with the Agency's Redevelopment Revenue Note, Series 2015 dated the date hereof.

Dated: January 14, 2015

**GREATER LEESBURG COMMUNITY  
REDEVELOPMENT AGENCY**

  
Secretary

**BANK QUALIFIED CERTIFICATE**

The undersigned, Chairman of the Greater Leesburg Community Redevelopment Agency (the "Agency"), hereby certifies in connection with the issuance on the date hereof of the Agency's Redevelopment Revenue Note, Series 2015 (the "Note"):

The Issuer has, pursuant to its Resolution No. 31, designated the Note as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the "Code"). The Issuer does not reasonably anticipate that the Agency, any subordinate entities of the Agency, and issuers of debt that issue "on behalf" of the Agency, will during calendar year 2015 issue more than \$10,000,000 of "tax-exempt" obligations, exclusive of those obligations described in Section 265(b)(3)(C)(ii) of the Code.

Dated: January 14, 2015

**GREATER LEESBURG COMMUNITY  
REDEVELOPMENT AGENCY**

By:   
Chairman



**SIGNATURE CERTIFICATE**

We, the undersigned, DO HEREBY CERTIFY as follows:

1. That we did heretofore cause to be officially executed the Greater Leesburg Community Redevelopment Agency (the "Agency") Redevelopment Revenue Note, Series 2015 (the "Note").

2. That Elise Dennison, Sr., Chairman, has executed the Note by her manual signature, and that said Chairman was on the date he executed the Note, and is now, the duly elected, qualified and acting Chairman.

3. That Andi Purvis, the Agency Secretary, has executed the Note by her manual signature, and that said Andi Purvis was on the date she signed the Note, and is now, the duly qualified and acting Secretary.

IN WITNESS WHEREOF, we have hereunto set our hands as of this 14th day of January, 2015.

Signature

Title of Office


Chairman

Secretary



Akerman LLP  
420 South Orange Avenue  
Suite 1200  
Orlando, FL 32801-4904  
Tel: 407.423.4000  
Fax: 407.843.6610

**No. 13**

January 14, 2015

Board Members,  
Greater Leesburg Community Redevelopment Agency

Citizens First Bank  
The Villages, Florida

**\$1,000,000**  
**GREATER LEESBURG COMMUNITY REDEVELOPMENT AGENCY**  
**REDEVELOPMENT REVENUE NOTE, SERIES 2015**

Dear Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance by the Greater Leesburg Community Redevelopment Agency (the "Agency") of its Redevelopment Revenue Note, Series 2015 (the "Note"), pursuant to the provisions of Chapter 163, Part III, Florida Statutes, the Florida Constitution, Agency Resolution No. 31 and City of Leesburg, Florida (the "City") Resolution No. 9533, (collectively, the "Resolution") and other applicable provisions of law (collectively, the "Act"), and a Loan Agreement dated as of January 14, 2015, by and between the Agency and Citizens First Bank (the "Agreement"). Any capitalized undefined term used herein shall have the same meaning as such term has under the Agreement.

As to questions of fact material to our opinion, we have relied upon representations of the Agency and City contained in the Resolution, of the Agency contained in the Agreement and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Reference is made to the opinion of even date herewith of McLin Burnsed, P.A., Counsel to the Agency and the City, on which we have solely relied, as to the due creation and valid existence of the Agency and the City, the due passage by the Agency and the City of the Resolution and the due execution and delivery by the Agency of the Note and the Agreement and compliance by the Agency with all conditions precedent to the issuance of the Note.

akerman.com

In addition to the foregoing, we have examined and relied upon such other agreements, certificates, documents, representations and opinions submitted to us, including certifications and representations of public officials and other officers and representatives of the various parties participating in this transaction, as we have deemed relevant and necessary in connection with the opinions expressed below. We have not undertaken an independent audit, examination, investigation or inspection of the matters described or contained in such agreements, certificates, documents, representations and opinions submitted to us and have relied solely on the facts, estimates and circumstances described and set forth therein.

In our examination of the foregoing, we have assumed the genuineness of the signatures on all documents and instruments, the authenticity of documents submitted as originals, the conformity to originals of documents submitted as copies and the legal capacity of all natural persons.

The scope of our engagement in relation to the issuance of the Note has been limited solely to the examination of facts and laws incident to rendering the opinions expressed herein.

This opinion should not be construed as offering material or an offering circular, prospectus or official statement and is not intended in any way to be a disclosure statement used in connection with the sale or delivery of the Note. In addition, we have not been engaged to and, therefore, do not express any opinion as to compliance by the Agency with any federal or state statute, regulation or ruling with respect to the sale and distribution of the Note.

Neither the Note nor the interest and premium, if any, payable thereon shall constitute a general obligation or general indebtedness of the Agency or the City within the meaning of the Constitution and laws of Florida. The Note and the interest and premium, if any, payable thereon do not constitute either a pledge of the full faith and credit of the Agency or a lien upon any property of the Agency other than the Pledged Revenues as provided in the Agreement. The Note is payable solely as provided in the Agreement. No owner of the Note or any other person shall ever have the right, directly or indirectly, to require or compel the exercise of any ad valorem taxing power of the Agency or any other public authority or governmental body to pay the principal of or interest and premium, if any, on the Note or to pay any other amounts required to be paid pursuant to the Note.

The opinions set forth below are expressly limited to, and we opine only with respect to, the laws of the State of Florida and the federal income tax laws of the United States of America.

Based upon the foregoing, we are of the opinion that:

1. The Agreement has been duly authorized, executed and delivered by the Agency and constitutes a valid and binding obligation of the Agency enforceable in accordance with its terms.

2. The Note has been duly authorized, executed and delivered by the Agency and is a valid and binding special obligation of the Agency, payable solely from the sources provided therefor in the Agreement and the Resolution.

3. The interest on the Note is excludable from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, it should be noted that for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings. The opinions set forth in the immediately preceding sentence are subject to the condition that the Agency and the City comply with all requirements of the Internal Revenue Code of 1986, as amended, and the regulations thereunder (the "Code"), that must be met or satisfied in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Agency has covenanted in the Agreement and the City has covenanted in the Interlocal Agreement to comply with each such requirement. Failure of the Agency or the City to comply with any of such requirements may cause the inclusion of interest on the Note in gross income for federal income tax purposes retroactive to the date of issuance of the Note. Other provisions of the Code may give rise to adverse federal income tax consequences to particular holders of the Note. The scope of this opinion is limited to the matters addressed above and we express no opinion regarding other federal tax consequences arising with respect to the Note other than as set forth in Paragraph 4 below.

4. The Note is a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3)(B) of the Code. In rendering this opinion, we have relied on certain factual representations of the Agency included as part of the closing transcript for the Note.

We call your attention to the fact that our engagement as Bond Counsel was on the assumption that the Note would be marketed as a private placement with institutional investors, i.e., Citizens First Bank. In accordance with our understanding with the parties participating in the closing on the date hereof, we have not passed upon and consequently express no opinion as to the accuracy, adequacy or completeness of any offering literature that may have been used in connection with the offering or placement of the Note. We have not passed upon any matters relating to the condition (financial or otherwise) of the Agency and no inference should be drawn that we have expressed any opinion on matters relating to the financial ability of the Agency or the City to perform their obligations under the Resolution or of the Agency to perform under the Note.

It is to be understood that the rights of the owners of the Note and the enforceability of the Agreement, the Note, the Interlocal Agreement and the Resolution may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors'

rights and laws and equitable principles that may affect remedies or injunctive or other equitable relief, and to the exercise of judicial discretion in appropriate cases.

Our opinions expressed herein are predicated upon present law, (and interpretations thereof) facts and circumstances, and we assume no affirmative obligation to update the opinions expressed herein if such laws (and interpretations thereof), facts or circumstances change after the date hereof.

Very truly yours,

A handwritten signature in black ink, appearing to read "Akerman LLP", is written over the typed name.

AKERMAN LLP

REPLY TO: Fred A. Morrison

January 14, 2015

The City of Leesburg, Florida  
Leesburg, FloridaAkerman Senterfitt  
Orlando, FloridaCitizens First Bank  
The Villages, FloridaGreater Leesburg Community  
Redevelopment Agency  
Leesburg, FloridaRE: The Greater Leesburg Community Redevelopment Agency (the "Agency")  
Redevelopment Revenue Note, Series 2015 (the "Note")

Ladies and Gentlemen:

We have acted as counsel to the Agency and to The City of Leesburg, Florida (the "City"), in connection with the issuance by the Agency of its Redevelopment Revenue Note, Series 2015, dated as of January 14, 2015, payable to Citizens First Bank (the "Bank"). All terms used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed to them by the Loan Agreement between the Agency and the Bank, dated as of January 14, 2015 (the "Loan Agreement").

In rendering the opinions expressed below we have examined originals or certified copies of the following documents, along with such other documents, contracts and records as we deemed necessary to render the opinions herein:

- A. Resolution No. 9533, adopted by the City Commission on January 12, 2015, authorizing the execution and issuance of the Note by the Agency (the "City Resolution"), and execution of the Loan Agreement between the Agency and the City;
- B. Resolution No. 31, adopted by the Agency on January 12, 2015 (the "Agency Resolution"), authorizing the execution and delivery of the Note and the Loan Agreement;
- C. The Charter and Code of Ordinances of the City;
- C. The ordinances and resolutions creating the Agency, and the sections of the Florida Statutes pertaining to the formation, operation, and funding of the Agency;
- D. The Note;
- E. The Interlocal Agreement; and
- F. The Loan Agreement.

Based on such review, we are of the opinion that:

1. The City Resolution was duly adopted, and remain in full force and effect.

2. The Agency Resolution was duly adopted, and remains in full force and effect.
3. The Loan Agreement, and the Note, have been duly authorized, executed and delivered by the Agency, and each constitutes a valid, binding and enforceable agreement of the Agency in accordance with its respective terms, except to the extent that the enforceability of the rights and remedies set forth herein may be limited by bankruptcy, insolvency, financial emergency or other laws affecting creditors' rights generally or by usual equity principles;
4. The Interlocal Agreement has been duly authorized, executed and delivered by the Agency and the City, and constitutes a valid, binding and enforceable agreement of the Agency and the City in accordance with its terms, except to the extent that the enforceability of the rights and remedies set forth herein may be limited by bankruptcy, insolvency, financial emergency or other laws affecting creditors' rights generally or by usual equity principles;
5. The City has the legal power to enter into the Interlocal Agreement and consummate the transactions contemplated thereby;
6. The Agency's execution, delivery and performance of the Loan Agreement, and its execution, issuance, performance and delivery of the Note, are not subject to any authorization, consent, approval or review of any governmental body, public officer or regulatory authority not heretofore obtained or effected;
7. The Agency's execution, issuance and delivery of the Note has been duly and validly authorized by its governing body, and by the City Commission, and the Note constitutes a valid and binding special obligation of the Agency enforceable in accordance with its terms, secured by the Pledged Revenues;
8. The Agency (A) is a community redevelopment agency duly organized and validly existing under the laws of the State of Florida, and (B) has power and authority to adopt the Resolution, to execute and deliver this Agreement, to execute and deliver the Note, and to consummate the transactions contemplated by such instruments;
9. The Agency has the legal power to make the capital improvements that comprise the Project and to pay associated costs of issuance, to impose and collect the Increment Revenues and to grant a lien on the Pledged Revenues as described herein and in the Resolution;
10. The execution, delivery and performance of the Note, and the Loan Agreement, and compliance with the terms thereof, under the circumstances contemplated in the Loan Agreement, do not and will not in any material respect conflict with, or constitute on the part of the Agency or the City a breach or default under, any indenture, mortgage, deed of trust, agreement or other instrument to which the Agency or the City is a party or by which either is bound, or conflict with, violate or result in a breach of any existing law, administrative rule or regulation, judgment, court order or consent decree to which the City or the Agency, are subject;
11. To the best of our knowledge, there is no claim, action, suit, proceeding, inquiry, investigation, litigation or other proceeding, at law or in equity, pending or threatened in any court or other tribunal, state or federal (A) restraining or enjoining, or seeking to restrain or enjoin, the issuance, sale, execution or delivery of the Note, (B) in any way questioning or affecting the validity or enforceability of

any provision of the Loan Agreement, the Note, the Interlocal Agreement, the Agency Resolution, or the City Resolution, (C) in any way questioning or affecting the validity of any of the proceedings or authority for the authorization, sale, execution or delivery of the Note, or the authorization, execution or delivery of the Loan Agreement or the Interlocal Agreement, or of any provision made or authorized for the payment thereof, or (D) questioning or affecting the organization or existence of the Agency or the City, or the right of any of their respective officers to their respective offices;

12. The Agency has the legal authority to issue the Note, and to pay associated costs of issuance, and to grant a first lien on the Pledged Revenues as described herein and in the City Resolution;

13. All conditions contained in the charter, ordinances and resolutions of the City precedent to the issuance of the Note, and the execution of the Interlocal Agreement, have been complied with.

We have not undertaken an independent audit, examination, investigation or inspection of the matters described or contained in the documents so examined, nor as to any representations and opinions submitted to us and have relied solely on the facts, estimates and circumstances described and set forth therein.

The scope of our engagement in relation to the issuance of the Note has been limited solely to the examination of the facts and law incident to rendering the opinions express herein. We have not been engaged to confirm or verify and therefore express no opinion as to the accuracy, completeness, fairness or sufficiency of the financial information provided by the Agency or the City relative to the Note. Further, we are giving no opinion concerning the compliance of the interest rate on the Note with any interest rate limitation or similar requirement of the State of Florida or federal law.

In addition, no opinion is rendered concerning any aspect of federal or state tax laws, rules or regulations, including but not limited to the tax exempt status of the Note, or the question of whether the Note or any modification or extension thereof is or is not exempt from any excise taxes imposed by the State of Florida.

This Opinion should not be construed as offering material or an offering circular, prospectus or official statement and is not intended in any way to be a disclosure statement used in connection with the sale or delivery of the Note. In addition, we have not been engaged to and, therefore, do not express any opinion as to compliance by the Issuer with any federal or state statute, regulation or ruling with respect to the sale and distribution of the Note. Furthermore, we have not investigated, and offer no opinion concerning, any matters related to the financial condition of the Agency or the City nor the financial ability of the Agency or the City to perform their respective obligations under the Note or the Loan Agreement.

This Opinion is rendered in connection with the issuance of the Note, for the benefit and reliance of only the following persons and entities: the addressees named above, and any other persons or entities who may at any time acquire any legal or beneficial interest in the Note. This Opinion may not be relied on for any purpose not related to the issuance of the Note, nor may it be relied on by any person or entity not listed in this paragraph, nor may it be referred to in any financial statement or other document not listed above as having been reviewed in connection with the issuance of this Opinion, nor may it be utilized or relied on for any other purpose, without the prior, written consent of the undersigned.

In rendering the opinions set forth above, we have assumed the due authorization, execution and delivery of the Note, and the Loan Agreement, by any parties thereto other than the Agency or the City; the legal



The City of Leesburg, Florida  
The Greater Leesburg Community Redevelopment Agency  
Akerman Senterfitt  
Citizens First Bank  
January 14, 2015  
Page 4

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capacity of all natural persons; the authenticity of any documents submitted as originals; and the conformity to originals of documents submitted as copies.

Yours truly,

A handwritten signature in black ink, appearing to read "Fred A. Morrison", written in a cursive style.

FRED A. MORRISON  
MCLIN BURNSED P.A.

**PURCHASER'S CERTIFICATE**

January 14, 2014

Akerman LLP  
Orlando, Florida

McLin Burnsed P.A.  
Leesburg, Florida

Greater Leesburg Community Redevelopment Agency (the "Agency")  
Leesburg, Florida

Ladies and Gentlemen:

The undersigned, as the purchaser of the \$1,000,000 Greater Leesburg Community Redevelopment Agency, Redevelopment Revenue Note, Series 2015 (the "Note") dated January 14, 2015, consisting of one typewritten Note, hereby certifies that we have been provided (a) a copy of Agency Resolution No. 31, adopted by the Agency on January 12, 2015, authorizing the issuance of the Note (the "Resolution"), and (b) a copy of City of Leesburg, Florida (the "City") Resolution No. 9533 adopted on January 12, 2015 authorizing and approving the issuance of the Note by the Agency (the "City Resolution"), (c) the Loan Agreement dated as of January 14, 2015 between the Agency and Citizens First Bank (the "Agreement"), (d) the legal opinions of Akerman LLP ("Bond Counsel") and McLin Burnsed P.A. ("Agency and City Attorney") of even date, and (e) such financial and general information respecting the Agency and the City pledged to the Note (collectively the "Pledged Revenues") as we deem necessary to enable us to make an informed investment judgment with respect to the purchase of said Note and no inference should be drawn that we are relying on Bond Counsel or the Agency and City Attorney as to any such matters other than their respective legal opinions.

We hereby make the following representations, which representations may be relied upon by the Agency, the Agency and City Attorney, and by Bond Counsel:

A. We are aware:

- (i) that investment in the Note involves various risks;
- (ii) that the Note is not a general obligation of the Agency or the City; and
- (iii) that the principal or premium, if any, and interest on the Note is payable solely from the sources specified in the Resolution, the City Resolution and in the Agreement.

B. We understand that no official statement, offering memorandum or other form of offering document has been prepared or is being used in connection with our purchase of the Note (collectively, "Disclosure Documents"), but we have been afforded access to all

information we have requested in making our decision to purchase the Note and have had sufficient opportunity to discuss the business of the Agency and the City with the appropriate employees and others. We have not requested any Disclosure Documents in connection with our decision to make the loan evidenced as the Note. We do not require any further information or data incident to the Note.

C. In making the loan evidenced by the Note, we have relied solely upon our own investigation, examination, and evaluation of the Agency, the City, the Pledged Revenues and other relevant matters.

D. We have knowledge and experience in financial and business matters and are capable of evaluating the merits and risks of making the loan evidenced by in the Note and have determined that we can bear the economic risk of our investment in the Note.

E. We acknowledge the understanding that the Note is not being registered under the Securities Act of 1933, as amended or Chapter 517, Florida Statutes, and that the Resolution, City Resolution and Agreement are not being qualified under the Trust Indenture Act of 1939, as amended, and that the Agency shall have no obligation to effect any such registration or qualification. We also acknowledge that we are an "accredited investor" within the meaning of Chapter 517, Florida Statutes and Regulation D of the 1933 Act.

F. We are not acting as a bond house, broker or other intermediary, and are making the loan evidenced by the Note as an investment for our own account and not with a present view to a resale or other distribution to the public. Although we retain the right to transfer the Note in the future, we understand that the Note may not be readily tradable.

G. The terms of the Note, as forth in the Note and the Agreement accurately reflect the terms of the Note we have agreed to purchase.

H. We acknowledge that Bond Counsel and the Agency and City Attorney have not represented us on this transaction and that we are relying on them solely for the matters stated in their respective legal opinions of even date.

I. We have received all documents requested by us incident to our purchase of the Note.

J. We have not asked that the Note bear a CUSIP and we do not intend to seek a CUSIP for the Note.

Signed as of the 14<sup>th</sup> day of January, 2014.

**CITIZENS FIRST BANK**

By:   
Authorized Officer



Indra Rivas

Akerman LLP  
420 South Orange Avenue  
Suite 1200  
Orlando, FL 32801-4904  
Tel: 407.423.4000  
Fax: 407.843.6610

Certified Article Number

9414 7266 9904 2016 4587 71

SENDERS RECORD

January 22, 2015

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Department of Treasury  
Internal Revenue Service Center  
Ogden, UT 84201

Re: **\$1,000,000 GREATER LEESBURG COMMUNITY REDEVELOPMENT  
AGENCY REDEVELOPMENT REVENUE NOTE, SERIES 2015**

Ladies and Gentlemen:

On behalf of the Greater Leesburg Community Redevelopment Agency, enclosed herewith for filing is Form 8038-G and an Acknowledgement Copy of the same with respect to the above-referenced matter. A self-addressed, stamped envelope has also been enclosed for your convenience in return of the Acknowledgment Copy.

Sincerely,

Indra Rivas  
Public Finance Coordinator

# Information Return for Tax-Exempt Governmental Obligations

► Under Internal Revenue Code section 149(e)  
► See separate instructions.  
**Caution:** If the issue price is under \$100,000, use Form 8038-GC.

OMB No. 1545-0720

## Part I Reporting Authority

If Amended Return, check here ☐

<b>1</b> Issuer's name Greater Leesburg Community Redevelopment Agency		<b>2</b> Issuer's employer identification number (EIN) 26-3880902
<b>3a</b> Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		<b>3b</b> Telephone number of other person shown on 3a
<b>4</b> Number and street (or P.O. box if mail is not delivered to street address) 501 West Meadow Street	<b>Room/suite</b>	<b>5</b> Report number (For IRS Use Only) 3
<b>6</b> City, town, or post office, state, and ZIP code Leesburg, Florida 34748		<b>7</b> Date of issue 01-14-2015
<b>8</b> Name of issue Redevelopment Revenue Note, Series 2015		<b>9</b> CUSIP number NONE
<b>10a</b> Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) Bill Spinelli, Treasurer		<b>10b</b> Telephone number of officer or other employee shown on 10a 352-728-9714

## Part II Type of Issue (enter the issue price). See the instructions and attach schedule.

<b>11</b> Education	<b>11</b>	
<b>12</b> Health and hospital	<b>12</b>	
<b>13</b> Transportation	<b>13</b>	
<b>14</b> Public safety	<b>14</b>	
<b>15</b> Environment (including sewage bonds)	<b>15</b>	
<b>16</b> Housing	<b>16</b>	
<b>17</b> Utilities	<b>17</b>	
<b>18</b> Other. Describe ► Street and Related Improvements	<b>18</b>	1,000,000
<b>19</b> If obligations are TANs or RANs, check only box 19a <input type="checkbox"/>		
If obligations are BANs, check only box 19b <input type="checkbox"/>		
<b>20</b> If obligations are in the form of a lease or installment sale, check box <input type="checkbox"/>		

## Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
<b>21</b>	10-01-2026	\$ 1,000,000	\$ 1,000,000	6.6719 years	2.9104 %

## Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

<b>22</b> Proceeds used for accrued interest	<b>22</b>	0
<b>23</b> Issue price of entire issue (enter amount from line 21, column (b))	<b>23</b>	1,000,000
<b>24</b> Proceeds used for bond issuance costs (including underwriters' discount)	<b>24</b>	0
<b>25</b> Proceeds used for credit enhancement	<b>25</b>	0
<b>26</b> Proceeds allocated to reasonably required reserve or replacement fund	<b>26</b>	0
<b>27</b> Proceeds used to currently refund prior issues	<b>27</b>	0
<b>28</b> Proceeds used to advance refund prior issues	<b>28</b>	0
<b>29</b> Total (add lines 24 through 28)	<b>29</b>	0
<b>30</b> Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	<b>30</b>	1,000,000

## Part V Description of Refunded Bonds. Complete this part only for refunding bonds. N/A

<b>31</b> Enter the remaining weighted average maturity of the bonds to be currently refunded	►	years
<b>32</b> Enter the remaining weighted average maturity of the bonds to be advance refunded	►	years
<b>33</b> Enter the last date on which the refunded bonds will be called (MM/DD/YYYY)	►	
<b>34</b> Enter the date(s) the refunded bonds were issued (MM/DD/YYYY)	►	

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 63773S

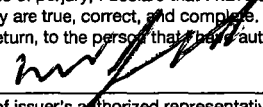
Form **8038-G** (Rev. 9-2011)

**Part VI Miscellaneous**

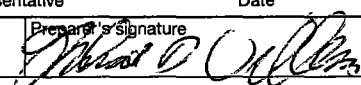
- 35** Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) . . . . . **35**
- 36a** Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions) . . . . . **36a**
- b** Enter the final maturity date of the GIC ▶ \_\_\_\_\_
- c** Enter the name of the GIC provider ▶ \_\_\_\_\_
- 37** Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units . . . . . **37**
- 38a** If this issue is a loan made from the proceeds of another tax-exempt issue, check box ☐ and enter the following information:
- b** Enter the date of the master pool obligation ▶ \_\_\_\_\_
- c** Enter the EIN of the issuer of the master pool obligation ▶ \_\_\_\_\_
- d** Enter the name of the issuer of the master pool obligation ▶ \_\_\_\_\_
- 39** If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box . . . . . ☐
- 40** If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box . . . . . ☐
- 41a** If the issuer has identified a hedge, check here ☐ and enter the following information:
- b** Name of hedge provider ▶ \_\_\_\_\_
- c** Type of hedge ▶ \_\_\_\_\_
- d** Term of hedge ▶ \_\_\_\_\_
- 42** If the issuer has superintegrated the hedge, check box . . . . . ☐
- 43** If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box . . . . . ☒
- 44** If the issuer has established written procedures to monitor the requirements of section 148, check box . . . . . ☒
- 45a** If some portion of the proceeds was used to reimburse expenditures, check here ☐ and enter the amount of reimbursement . . . . . ▶ \_\_\_\_\_
- b** Enter the date the official intent was adopted ▶ \_\_\_\_\_

**Signature and Consent**

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

Signature of issuer's authorized representative  Date 01-14-2015 Bill Spinelli, Treasurer

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Michael D. Williams		01-09-2015		901317243
Firm's name ▶ Akerman LLP	Firm's EIN ▶ 59-3117860			
Firm's address ▶ 420 S. Orange Avenue, Suite 1200, Orlando, Florida 32801	Phone no. 407-423-4000			

**CERTIFICATE OF COMPLIANCE  
WITH CHAPTER 215.84, FLORIDA STATUTES**

The undersigned, Chairman of the Greater Leesburg Community Redevelopment Agency (the "Agency"), hereby certifies in connection with the issuance, sale and delivery by the Agency of its \$1,000,000.00 Redevelopment Revenue Note, Series 2015 (the "Note") as follows:

1. The Agency approved on January 12, 2015, a commitment letter pursuant to which Citizens First Bank agreed to purchase the Note from the Agency.
2. In accordance with the provisions of Section 215.84(6), Florida Statutes, the undersigned hereby represents that the net interest cost rate of the Note of 2.91% is less than 300 basis points above The Bond Buyer "20 Bond Index" published immediately preceding January 1, 2015.

IN WITNESS WHEREOF, this Certificate has been executed as of this 14<sup>th</sup> day of January, 2015.

**GREATER LEESBURG COMMUNITY  
REDEVELOPMENT AGENCY**


By:   
Chairman

**TRUTH-IN-BONDING STATEMENT**

Board of Commissioner  
Greater Leesburg Community Redevelopment Agency

Greater Leesburg Community Redevelopment Agency (the "Agency") is proposing to issue its \$1,000,000 Redevelopment Revenue Note, Series 2015 (the "Note") to finance certain community redevelopment as described in more detail in the closing transcript for the Note. The Note is expected to be paid over a period of approximately 11.7 years. At a fixed interest rate of 2.91% total interest paid over the life of the Note (assuming no prepayments) will be \$194,181.08. The source of repayment for the Note is the Agency's "increment revenues." Authorizing this Note will result in a maximum of \$102,433.40 of such increment revenues not being able to finance other services of the Agency each year for 11.7 years.

**CITIZENS FIRST BANK**

By: \_\_\_\_\_  
Authorized Officer



**FLORIDA STATUTES, SECTION 218.385(6)  
DISCLOSURE STATEMENT**

**RE: \$1,000,000  
Greater Leesburg Community Redevelopment Agency  
Redevelopment Revenue Note, Series 2015**

Dear Commissioners,

Citizens First Bank (the "Purchaser") is on the date hereof purchasing for its own account all of the \$1,000,000 initial aggregate principal amount of Greater Leesburg Community Redevelopment Agency (the "Issuer") Redevelopment Revenue Note, Series 2015 (the "Note"). The purpose of this letter is to furnish, pursuant to the provisions of Section 218.385(6), Florida Statutes, certain information in connection with our purchase of the Note as follows:

(a) The Purchaser is not incurring any expenses in connection with its purchase of the Note.

(b) No person has entered into an understanding with the Purchaser, or to the knowledge of the Purchaser, with the Issuer, for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the Issuer and the Purchaser or to exercise or attempt to exercise any influence to effect any transaction in the purchase of the Note.

(c) The Note is being purchased by us for its face amount.


(d) We will not receive any management fee in connection with our purchase of the Note.

(e) Our counsel, Potter Clement Lowndes is being paid a fee of \$3,000 by the Issuer.

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

January 14, 2015

**CITIZENS FIRST BANK**  
1050 Lake Sumter Landing  
The Villages, Florida 32162

By:   
Brad Weber  
Senior Vice President

**\$1,000,000**  
**GREATER LEESBURG COMMUNITY REDEVELOPMENT AGENCY**  
**REDEVELOPMENT REVENUE NOTE, SERIES 2015**

**FEDERAL TAX CERTIFICATE**

I, BILL SPINELLI, Treasurer of the Greater Leesburg Community Redevelopment Agency (the "Agency"), HEREBY CERTIFY with respect to the Agency's \$1,000,000 Redevelopment Revenue Note, Series 2015 (the "2015 Note"), which is being issued and delivered on the date of this certificate, as follows:

1. The 2015 Note is being issued under and pursuant to Chapter 163 Part III, Florida Statutes, Resolution No. 9533 of the City of Leesburg, Florida (the "City Resolution") and Resolution No. 31 of the Agency, both adopted on January 12, 2015 (collectively "the Resolution"), and a Loan Agreement dated as of the date hereof between the Agency and Citizens First Bank (the "Agreement"). The sale of the 2015 Note was pursuant to an rfp process. The 2015 Note is secured primarily by Tax Increment Revenues, generally applicable taxes attributable to increases in assessed values within the redevelopment area of the Agency. Unless defined herein, capitalized terms have the meanings given them in the Resolution or the Agreement.

2. I am one of the officers of the Agency charged with the responsibility for issuing the 2015 Note.

3. This certificate is made for the purpose of establishing the reasonable expectations of the Agency as to the amount and use of the proceeds of the 2015 Note. It is intended and may be relied upon for purposes of Sections 103 and 148 of the Internal Revenue Code of 1986, as amended (the "Code"), as a certification described in Section 1.148-2(b)(2) of

the Treasury Regulations. This Federal Tax Certificate is being executed and delivered as part of the record of proceedings in connection with the issuance of the 2015 Note.

4. This certificate sets forth the facts, estimates and circumstances now in existence which are the basis for the Agency's expectation that the proceeds of the 2015 Note will not be used in a manner that would cause the interest on the 2015 Note to become includable in gross income for federal income tax purposes within the meaning of the Code. The undersigned has investigated such facts, estimates and circumstances and has had the opportunity to discuss with Bond Counsel any of the matters set forth herein. To the best of my knowledge and belief, such expectation is reasonable and there are no further facts estimates or circumstances that would materially change that expectation.

5. The 2015 Note is being issued for the purpose of providing funds to (i) pay the costs of the acquisition, construction and improvements of street improvements, undergrounding relocation and replacement of all City provided electric, water, wastewater, storm water and fiber optic on Main Street from U.S. 27 to 9<sup>th</sup> Street all within the Community Redevelopment Area of the Agency (the "Project"), costs of issuing the 2015 Note are being paid from other legally available moneys.

a. The Project is and will be owned and operated by the City or the Agency and all of the Project is intended to be and will be available for use by the general public.

b. No portion of the proceeds of the 2015 Note will be used directly or indirectly to make loans or grants to persons other than a governmental unit.

6. The 2015 Note is being issued in the principal amount of \$1,000,000 and will mature on the date and bear interest at the rate, all as set forth in the Resolution and Agreement.

7. The proceeds of the 2015 Note, together with available earnings from the investment of such proceeds, do not exceed the amount necessary for the purposes for the 2015 Note.

8. Neither the Agency or the City expects to sell or otherwise dispose of any portion of the Project prior to the final maturity of the 2015 Note.

9. The Agency has covenanted in the Agreement to pay debt service on the 2015 Note from Pledged Revenues as the same becomes due.

Amounts which are set aside for the payment of the principal of and interest on the 2015 Note may be invested without regard to yield restrictions for a period not to exceed thirteen (13) months from the date such amounts are set aside. Any amounts not expended within the period set forth above shall be invested at a yield not in excess of the yield on the 2015 Note. Proceeds of the 2015 Note to be expended to pay costs of issuing the 2015 Note are expected to be so expended within sixty (60) days of the date hereof and may be invested at an unrestricted yield until so expended.

10. The City pursuant to the Interlocal Agreement has agreed to pay debt service on the 2015 Note from available Non-Ad Valorem Revenues to the extent the Increment Revenues are insufficient therefor. The City is not expected to make any payments of debt service on the 2015 Note.

11. Binding contracts or commitments obligating the expenditure of not less than 5 percent of the net sale proceeds toward the cost of the Project will be entered into by the Agency within 6 months from the date hereof. Work on the acquisition and construction of the Project and the allocation of the net sale proceeds to the costs of the Project will proceed with

due diligence. It is expected that the Project will be completed and at least 85 percent of the net sale proceeds will be allocated to Project expenditures within three years of the date hereof.

12. None of the proceeds of the 2015 Note will be invested in obligations having a substantially guaranteed yield for 4 years or more.

13. The yield on the 2015 Note is determined under the rules set forth in Treas. Reg. §1.148-4. The yield on the Note has been calculated by the use of semiannual compounding using the thirty (30) days per month/360 days per year convention. Such yield, computed as of the date hereof, is at least 2.9104%.

The purchase price of all obligations other than certain tax-exempt investments (“Taxable Obligations”) to which restrictions as to yield or rebate of excess earnings under this Certificate apply shall be calculated using (i) the price, taking into account discount, premium, and accrued interest, as applicable, actually paid or (ii) the fair market value if less than the price actually paid and if such Taxable Obligations were not purchased directly from the United States Treasury. The Agency will acquire all such Taxable Obligations directly from the United States Treasury or in arms length transactions without regard to any amounts paid to reduce the yield on such Taxable Obligations. The Agency will not pay or permit the payment of any amounts to reduce the yield on any Taxable Obligations.

Any amounts subject to yield restrictions may be subject to yield reduction payments pursuant to Treasury Regulations Section 1.148-5(c).

b. Proceeds derived from the sale of the 2015 Note to pay costs of the Project may be invested at an unrestricted yield for a period not to exceed three years from the date hereof.

c. Investment earnings on obligations acquired with amounts described in subparagraph (b) above may be invested at an unrestricted yield for a period of three years from the date hereof or one year from the date of receipt, whichever period is longer.

d. Amounts described in subparagraphs (b) through (c) that may not be invested at an unrestricted yield pursuant to such subparagraphs may be invested at an unrestricted yield to the extent such amounts do not exceed \$100,000 (the "Minor Portion").

f. Amounts described in this paragraph 13 that may not be invested at an unrestricted yield shall be invested at a yield not in excess of 2.9104% or be invested in tax-exempt obligations under Section 103(a) of the Code the interest on which is not an item of preference within the meaning of Section 57(a)(5) of the Code.

14. Except for preliminary expenditures, such as architectural, engineering, surveying, soil testing, and similar costs, proceeds of the 2015 Note will not be used to reimburse the Agency for Project costs paid prior of the date which is 60 days before the date hereof.

15. The Agency will take no action which would cause the 2015 Note to become Private Activity Bonds (as such term is defined in the Code). None of the Gross Proceeds of the 2015 Note will be used directly or indirectly in any trade or business carried on by any person other than a governmental unit.

16. None of the proceeds of the 2015 Note will be used as a substitute for other funds (i) which were otherwise to be used to pay the costs of acquiring, constructing, reconstructing and renovating the Project; (ii) which will not be so used and (iii) which have been or will be used, directly or indirectly, to acquire investment property producing a yield in excess of the yield on the 2015 Note.

17. The Agency does not presently expect to enter into any “hedging transaction” (i.e., transactions involving interest rate swaps, interest rate caps or collars or similar mechanisms to shift the interest rate risk of payment) in respect of the 2015 Note.

18. None of the proceeds of the 2015 Note will be invested in investments having a yield to the Agency that is substantially guaranteed for four years or more.

19. No obligations of the Agency are being sold less than 15 days apart from the date of sale of the 2015 Note, pursuant to the same plan of financing with the 2015 Note and which are reasonably expected to be paid from substantially the same source of funds as the 2015 Note.

20. The weighted average maturity of the 2015 Note of 6.6729 years does not exceed 120% of the weighted average reasonably expected economic life of the Project to be financed with proceeds of the 2015 Note.

21. No portion of the proceeds of the 2015 Note will be invested, directly or indirectly, in federally insured deposits or accounts in violation of Section 149(b) of the Code.

22. The Agency has covenanted in the Resolution to comply with the provisions of Section 148(f) of the Code (the “Rebate Requirement”) and remit as required by Section 148(f) any necessary amounts and in furtherance thereof agrees to comply with Exhibit A hereto.

23. The Agency agrees to (a) impose such limitations on the investment or use of moneys or investments related to the 2015 Note, (b) enter into such agreements, and (c) perform such other acts as may be necessary under the Code to preserve the exclusion from gross income for purposes of federal income taxation of interest on the 2015 Note, including complying with Exhibit B hereto.

24. The Agency agrees to file all information statements as may be required by the Code.

25. No action that overburdens the tax-exempt market (within the meaning of Treas. Reg. §1.148-10(a)) has been or is expected to be taken in connection with the 2015 Note. In particular, no portion of the 2015 Note has been issued earlier or allowed to remain outstanding longer, than is otherwise reasonably necessary to accomplish the governmental purposes of the 2015 Note. Furthermore, each action taken or expected to be taken in connection with the 2015 Note would reasonably be taken if the interest on the 2015 Note were not excluded from gross income for federal income tax purposes (assuming that the hypothetical taxable interest rates would be the same as the actual tax-exempt interest rates).

26. None of the proceeds of the 2015 Note will be used (directly or indirectly) to acquire any property which prior to its acquisition was used (or held for use) by a person other than a state or local governmental unit in connection with an output facility. For purposes of this Certificate, the term “output facility” means electric and gas generation, transmission, and related facilities (but not water facilities).

27. No portion of the proceeds of the 2015 Note will be used to finance output facilities (as that term is defined in Paragraph 26 above).

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To the best of my knowledge and belief there are no facts, estimates or circumstances other than those expressed herein that materially affect the expectations herein expressed, and, to the best of my knowledge and belief, the Agency's expectations are reasonable. I further represent that the Issuer has had the opportunity to discuss the certifications set forth above with Bond Counsel. I further represent that the Agency expects and intends to be able to comply with the provisions and procedures set forth herein, including Section 148 of the Code.

IN WITNESS WHEREOF, I have hereunto set my hand as of this 14<sup>th</sup> day of January, 2015.

**GREATER COMMUNITY  
REDEVELOPMENT AGENCY**

By: \_\_\_\_\_

Treasurer

## **EXHIBIT A**

January 14, 2015

Commissioners  
Greater Leesburg Community Redevelopment Agency

Re: \$1,000,000 Greater Leesburg Community Redevelopment Agency (the "Agency")  
Revenue Note, Series 2015

Ladies and Gentlemen:

This letter instructs you as to certain requirements of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), with respect to the above-referenced note (the "Note"). Capitalized terms used in this letter, not otherwise defined herein, shall have the same meanings as set forth in the Agency's Federal Tax Certificate (the "Tax Certificate") executed on the date hereof.

This letter is intended to provide you with general guidance regarding compliance with Section 148(f) of the Code. Because the requirements of the Code are subject to amplification and clarification, you should seek supplements to this letter from time to time to reflect any additional or different requirements of the Code. In particular, you should be aware that regulations implementing the rebate requirements of Section 148(f) (the "Regulations") have been issued by the United States Treasury Department. These regulations will, by necessity, be subject to continuing interpretation and clarification through future rulings or other announcements of the United States Treasury Department. You should seek further advice of Bond Counsel as to the effect of any such future interpretations before the computation and payment of any arbitrage rebate.

For the purposes of this Letter, (i) any instructions relating to a fund or account shall be deemed to apply only to the portion of such fund or account allocable to the Note and (ii) any reference to "the date hereof" shall be deemed to mean January 14, 2015.

**SECTION 1. TAX COVENANTS.** Pursuant to the Agreement, the Agency has made certain covenants designed to assure that interest with respect to the Note is and shall remain excluded from gross income for federal income tax purposes. The Agency has agreed, and by this Letter does hereby covenant, that it will not directly or indirectly use or permit the use of any proceeds of the Note or any other funds or take or omit to take any action that would cause the Note to be "arbitrage note" within the meaning of Section 148 of the Code or that would otherwise cause interest on the Note to be included in gross income for federal income tax purposes under the provisions of the Code. You have further agreed by this letter to comply with all other requirements as shall be determined by Bond Counsel (as hereinafter defined) to be

necessary or appropriate to assure that interest on the Note will be excluded from gross income for federal income tax purposes. To that end, the Agency will comply with all requirements of Section 148 of the Code to the extent applicable to the Note. In particular, the Agency agrees to cause the proceeds of the Note and amounts, reasonably expected to be used to pay debt service on the Note to be invested in a manner that is consistent with the expectations set forth in such Certificate. In the event that at any time the Agency is of the opinion that for purposes of this Section 1 it is necessary to restrict or to limit the yield on the investment of any moneys held by the Agency, the Agency shall take such action as may be necessary.

**SECTION 2. DEFINITIONS.** Unless the context otherwise requires, in addition to the use of the terms defined in the Tax Certificate, the following capitalized terms have the following meanings:

“Bond Counsel” shall mean Akerman LLP or other nationally recognized bond counsel.

“Bond Year” shall mean the one year period that ends at the close of business on the day in the calendar year that is selected by the Agency. The first and last bond years may be short periods. Unless otherwise selected, a Bond Year shall begin on each October 2 and end on the succeeding October 1.

“Bond Yield” shall mean that discount rate that, when used in computing the present value on the Delivery Date of all unconditionally payable payments of principal, interest, retirement price, and any Qualified Guarantee payments paid and to be paid on the Note, produces an amount equal to the present value on the Delivery Date, using the same discount rate, of the aggregate Issue Price of the Note. Yield is computed under the Economic Accrual Method using any consistently applied compounding interval of not more than one year. Short first and last compounding intervals may be used. Other reasonable, standard financial conventions, such as the 30 days per month/360 days per year convention, may be used in computing yield but must be consistently applied. The yield on the Note, computed in this manner, is 2.9104%.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and the applicable Treasury Regulations promulgated thereunder.

“Computation Date” shall mean any date selected by the Agency as a computation date pursuant to Section 1.148-3(e) of the Regulations, and the Final Computation Date.

“Computation Credit Amount” means an amount, as of each Computation Credit Date, equal to the amount allowed pursuant to Section 1.148-3(d)(iv) of the Regulations.

“Computation Credit Date” means the last day of each Bond Year during which there are amounts allocated to Gross Proceeds of the Note that are subject to the rebate requirement of Section 148(f) of the Code, and the Final Computation Date.

“Delivery Date” shall mean January 14, 2015.

“Economic Accrual Method” shall mean the method of computing yield that is based on the compounding of interest at the end of each compounding period (also known as the constant interest method or the actuarial method).

“Final Computation Date” shall mean the date that the last bond that is part of the Note is discharged.

“Gross Proceeds” shall mean with respect to the Note, any proceeds of the Note and any funds (other than the proceeds of the Note) that are a part of a reserve or replacement fund for the issue, which amounts include amounts which are (A) actually or constructively received by the Agency from the sale of the Note; (C) treated as Replacement Proceeds under Section 1.148-1(c) of the Regulations; (D) invested in a reasonably required reserve or replacement fund (as defined in Section 1.148-2(f) of the Regulations); (E) pledged by the Agency as security for payment of debt service on the Note; (F) received with respect to obligations acquired with proceeds of the Note; (G) used to pay debt service on the Note; and (H) otherwise received as a result of investing any proceeds of the Note. The determination of whether an amount is included within this definition shall be made without regard to whether the amount is credited to any fund or account established under the Agreement or whether the amount is subject to the pledge of such instrument.

“Guaranteed Investment Contract” means any Nonpurpose Investment that has specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate, and also includes any agreement to supply investments on two or more future dates (e.g., a forward supply contract).

“Installment Payment Date” shall mean a Computation Date that is not later than 5 years after the Delivery Date and subsequent Computation Dates which occur no later than 5 years after the immediately preceding Installment Payment Date.

“Investment Property” shall mean any security or obligation, any annuity contract or other investment-type property within the meaning of Section 148(b)(2) of the Code. The term Investment Property shall not include any obligation the interest on which is excluded from gross income (other than a Specified Private Activity Bond within the meaning of Section 57(a)(5)(C) of the Code) and shall not include an obligation that is a one-day certificate of indebtedness issued by the United States Treasury pursuant to the Demand Deposit State and Local Government Series Program described in 31 CFR, part 344.

“Issue Price” shall mean \$1,000,000.

“Issue Yield” shall mean the Bond Yield unless the Note are described in Section 1.148-4(b)(3) or (4) of the Regulations, in which case, the Issue Yield shall be the Bond Yield as recomputed in accordance with such provisions of the Regulations.

“Nonpurpose Investment” shall mean any Investment Property in which Gross Proceeds are invested, other than any Purpose Investment as defined in Section 1.148-1(b) of the Regulations. For purposes of this Letter, Investment Property acquired with revenues deposited in the Revenue Account to be used to pay debt service on the Note within 13 months of the date of deposit therein shall be disregarded.

“Nonpurpose Payment” shall, with respect to a Nonpurpose Investment allocated to the Note, include the following: (1) the amount actually or constructively paid to acquire the Nonpurpose Investment; (2) the Value of an investment not acquired with Gross Proceeds on the date such investment is allocated to the Note, and (3) any payment of Rebatable Arbitrage to the United States Government not later than the date such amount was required to be paid. In addition, the Computation Credit Amount shall be treated as a Nonpurpose Payment with respect to the Note on each Computation Credit Date.

“Nonpurpose Receipt” shall mean any receipt or payment with respect to a Nonpurpose Investment allocated to the Note. For this purpose the term “receipt” means any amount actually or constructively received with respect to the investment. In the event a Nonpurpose Investment ceases to be allocated to the Note other than by reason of a sale or retirement, such Nonpurpose Investment shall be treated as if sold on the date of such cessation for its Value. In addition, the Value of each Nonpurpose Investment at the close of business on each Computation Date shall be taken into account as a Nonpurpose Receipt as of such date, and each refund of Rebatable Arbitrage pursuant to Section 1.148-3(i) of the Regulations shall be treated as a Nonpurpose Receipt.

“Rebatable Arbitrage” shall mean as of any Computation Date the excess of the future value of all Nonpurpose Receipts with respect to the Note over the future value of all Nonpurpose Payments with respect to the Note. The future value of a Nonpurpose Payment or a Nonpurpose Receipt as of any Computation Date is determined using the Economic Accrual Method and equals the value of that payment or receipt when it is paid or received (or treated as paid or received), plus interest assumed to be earned and compounded over the period at a rate equal to the Issue Yield, using the same compounding interval and financial conventions used in computing that yield.

“Retirement Price” shall mean, with respect to a bond, the amount paid in connection with the retirement or redemption of the bond.

“Value” means value as determined under Section 1.148-5(d) of the Regulations for investments.

### **SECTION 3. REBATE REQUIREMENT.**

(a) Unless one or more of the Spending Exceptions to Rebate described in Appendix I to this letter are applicable to all or a portion of the Gross Proceeds of the Note, Agency specifically covenants that it will pay or cause to be paid to the United States Government the following amounts:

(1) No later than 60 days after each Installment Payment Date, an amount which, when added to the future value of all previous rebate payments made with respect to the Note, equals at least 90 percent of the Rebatable Arbitrage calculated as of each such Installment Payment Date; and

(2) No later than 60 days after the Final Computation Date, an amount which, when added to the future value of all previous rebate payments made with

respect to the Note, equals 100 percent of the Rebatable Arbitrage as of the Final Computation Date.

(b) Any payment of Rebatable Arbitrage made within the 60-day period described in Section 3(a)(1) and (2) above may be treated as paid on the Installment Payment Date or Final computation date to which it relates.

(c) On or before 60 days following the Installment Payment Date or Final Computation Date, pay the amount described in Section 3(a) of this Letter to the United States Government at the Internal Revenue Service Center, Ogden, Utah 84201. Payment shall be accompanied by Form 8038-T. A rebate payment is paid on the date when it is mailed to the Internal Revenue Service at the above location.

(d) The Agency shall keep proper books of record and accounts containing complete and correct entries of all transactions relating to the receipt, investment, disbursement, allocation and application of the money related to the Note, including money derived from, pledged to, or to be used to make payments on the Note. Such records shall specify the account or fund to which each investment (or portion thereof) held by the Agency is to be allocated and shall set forth, in the case of each investment security, (a) its purchase price; (b) nominal rate of interest; (c) the amount of accrued interest purchased (included in the purchase price); (d) the par or face amount; (e) maturity date; (f) the amount of original issue discount or premium (if any); (g) the type of Investment Property; (h) the frequency of periodic payments; (i) the period of compounding; (j) the yield to maturity; (k) date of disposition; (l) amount realized on disposition (including accrued interest); and (m) market price data sufficient to establish the fair market value of any Nonpurpose investment as of any Computation Date, and as of the date such Nonpurpose Investment becomes allocable to, or ceases to be allocable to, Gross Proceeds of the Note.

#### **SECTION 4. PROHIBITED INVESTMENTS AND DISPOSITIONS.**

(a) No Investment Property shall be acquired with Gross Proceeds for an amount (including transaction costs) in excess of the fair market value of such Investment Property. No Investment Property shall be sold or otherwise disposed of for an amount (including transaction costs) less than the fair market value of the Investment Property.

(b) For purposes of subsection 4(a), the fair market value of any Investment Property for which there is an established market shall be determined as provided in subsection 4(c). Except as otherwise provided in subsections 4(e) and (f), any market especially established to provide Investment Property to an issuer of governmental obligations shall not be treated as an established market.

(c) The fair market value of any Investment Property for which there is an established market is the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's-length transaction. Fair market value is generally determined on the date on which a contract to purchase or sell the Investment Property becomes binding (i.e., the trade date rather than the settlement date). If a United

States Treasury obligation is acquired directly from or disposed of directly to the United States Treasury, such acquisition or disposition shall be treated as establishing a market for the obligation and as establishing the fair market value of the obligation.

(d) Except to the extent provided in subsections (e) and (f), any Investment Property for which there is not an established market shall be rebuttably presumed to be acquired or disposed of for a price that is not equal to its fair market value.

(e) In the case of a certificate of deposit that has a fixed interest rate, a fixed payment schedule, and a substantial penalty for early withdrawal, the purchase price of such a certificate of deposit is treated as its fair market value on its purchase date if the yield on the certificate of deposit is not less than (1) the yield on reasonably comparable direct obligations of the United States; and (2) the highest yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

(f) The purchase price of a Guaranteed Investment Contract is treated as its fair market value on the purchase date if the Agency complies with the competitive bidding procedures and other requirements set forth in Section 1.148-5(d)(6)(iii) of the Regulations.

#### **SECTION 5. ADMINISTRATIVE COSTS OF INVESTMENTS.**

(a) Except as otherwise provided in this Section, an allocation of Gross Proceeds of the Note to a payment or receipt on a Nonpurpose Investment is not adjusted to take into account any costs or expenses paid, directly or indirectly, to purchase, carry, sell or retire the Nonpurpose Investment (administrative costs). Thus, administrative costs generally do not increase the payments for, or reduce the receipts from, Nonpurpose Investments.

(b) In determining payments and receipts on Nonpurpose Investments, Qualified Administrative Costs are taken into account by increasing payments for, or reducing the receipts from, the Nonpurpose Investments. Qualified Administrative Costs are reasonable, direct administrative costs, other than carrying costs, such as separately stated brokerage or selling commissions, but not legal and accounting fees, recordkeeping, custody, and similar costs. General overhead costs and similar indirect costs of the Agency such as employee salaries and office expenses and costs associated with computing Rebutable Arbitrage are not Qualified Administrative Costs

(c) Qualified Administrative Costs include all reasonable administrative costs, without regard to the limitation on indirect costs stated in subsection (b) above, incurred by:

(i) A publicly offered regulated investment company (as defined in Section 67(c)(2)(B) of the Code); and

(ii) A commingled fund in which the Agency and any related parties do not own more than 10 percent of the beneficial interest in the fund.

(d) For a Guaranteed Investment Contract, a broker's commission paid on behalf of either the Agency or the provider is not a Qualified Administrative Cost to the extent that the commission exceeds the safe harbor amount specified in Section 1.148-5(e)(2)(iii)(B) of the Regulations.

**SECTION 6. RECORDS; BOND COUNSEL OPINION.**

(a) The Agency shall retain all records with respect to the calculations and instructions required by this Letter for at least 6 years after the date on which the last of the principal of and interest on the Note has been paid, whether upon maturity, redemption or acceleration thereof.

(b) Notwithstanding any provisions of this Letter, if the Agency shall be provided an opinion of Bond Counsel that any specified action required under this Letter is no longer required or that some further or different action is required to maintain or assure the exclusion from federal gross income of interest with respect to the Note, the Agency may conclusively rely on such opinion in complying with the requirements of this Letter.

**SECTION 7. SURVIVAL OF DEFEASANCE.** Notwithstanding anything in this Letter to the contrary, the obligation of the Agency to remit the Rebate Requirement to the United States Department of the Treasury and to comply with all other requirements contained in this Letter must survive the defeasance or payment of the Note.

Very truly yours,

AKERMAN LLP

Received and acknowledged:

*Akerman LLP*

GREATER LEESBURG COMMUNITY REDEVELOPMENT  
AGENCY

By: \_\_\_\_\_

Treasurer

*[Signature]*



## APPENDIX I

### SPENDING EXCEPTIONS TO REBATE

(a) Generally. All, or certain discrete portions, of an issue are treated as meeting the Rebate Requirement of Section 148(f) of the Code if one or more of the spending exceptions set forth in this Appendix are satisfied. Use of the spending exceptions is not mandatory, except that where an issuer elects to apply the 1-1/2 percent penalty (as described below) the issuer must apply that penalty to the Construction Issue. An issuer may apply the Rebate Requirement to an issue that otherwise satisfies a spending exception. Special definitions relating to the spending exceptions are contained in section (h) of this Appendix.

Where several obligations that otherwise constitute a single issue are used to finance two or more separate governmental purposes, the issue constitutes a “multipurpose issue” and the bonds, as well as their respective proceeds, allocated to each separate purpose may be treated as separate issues for purposes of the spending exceptions. In allocating an issue among its several separate governmental purposes, “common costs” are generally not treated as separate governmental purposes and must be allocated ratably among the discrete separate purposes unless some other allocation method more accurately reflects the extent to which any particular separate discrete purpose enjoys the economic benefit (or bears the economic burden) of the certain common costs (e.g., a newly funded reserve for a parity issue that is partially new money and partially a refunding for savings on prior bonds).

Separate purposes include refunding a separate prior issue, financing a separate Purpose Investment (e.g., a separate loan), financing a Construction Issue, and any clearly discrete governmental purpose reasonably expected to be financed by the issue. In addition, as a general rule, all integrated or functionally related capital projects qualifying for the same initial temporary period (e.g., 3 years) are treated as having a single governmental purpose. Finally, separate purposes may be combined and treated as a single purpose if the proceeds are eligible for the same initial temporary period (e.g., advance refundings of several separate prior issues could be combined, or several non-integrated and functionally unrelated capital projects such as airport runway improvements and a water distribution system).

The spending exceptions described in this Appendix are applied separately to each separate issue component of a multipurpose issue unless otherwise specifically noted.

(b) Six-Month Exception. An issue is treated as meeting the Rebate Requirement under this exception if (i) the gross proceeds of the issue are allocated to expenditures for the governmental purposes of the issue within the six-month period beginning on the issue date (the “six-month spending period”) and (ii) the Rebate Requirement is met for amounts not required to be spent within the six-month spending period (excluding earnings on a bona fide debt service fund). For purposes of the six-month exception, “gross proceeds” means Gross Proceeds other than amounts (i) in a bona fide debt service fund, (ii) in a reasonably required reserve or replacement fund, (iii) that, as of the issue date, are not reasonably expected to be Gross Proceeds but that become Gross Proceeds after the end of the six-month spending period, (iv) that represent Sale Proceeds or Investment Proceeds derived from payments under any

Purpose Investment of the issue and (v) that represent repayments of grants (as defined in Treasury Regulation Section 1.148-6(d)(4)) financed by the issue. In the case of an issue no bond of which is a private activity bond (other than a qualified 501(c)(3) bond) or a tax or revenue anticipation bond, the six-month spending period is extended for an additional six months for the portion of the proceeds of the issue which are not expended within the six-month spending period if such portion does not exceed the lesser of five percent of the Proceeds of the issue or \$100,000.

(c) 18-Month Exception. An issue is treated as meeting the Rebate Requirement under this exception if all of the following requirements are satisfied:

(i) the gross proceeds are allocated to expenditures for a governmental purpose of the issue in accordance with the following schedule (the “18-month expenditure schedule”) measured from the issue date: (A) at least 15 percent within six months, (B) at least 60 percent within 12 months and (C) 100 percent within 18 months;

(ii) the Rebate Requirement is met for all amounts not required to be spent in accordance with the 18-month expenditure schedule (other than earnings on a bona fide debt service fund); and

(iii) all of the gross proceeds of the issue qualify for the initial temporary period under Treasury Regulation Section 1.148-2(e)(2).

For purposes of the 18-month exception, “gross proceeds” means Gross Proceeds other than amounts (i) in a bona fide debt service fund, (ii) in a reasonably required reserve or replacement fund, (iii) that, as of the issue date, are not reasonably expected to be Gross Proceeds but that become Gross Proceeds after the end of the 18-month expenditure schedule, (iv) that represent Sale Proceeds or Investment Proceeds derived from payments under any Purpose Investment of the issue and (v) that represent repayments of grants (as defined in Treasury Regulation Section 1.148-6(d)(4)) financed by the issue. In addition, for purposes of determining compliance with the first two spending periods, the investment proceeds included in gross proceeds are based on the issuer’s reasonable expectations as of the issue date rather than the actual Investment Proceeds; for the third, final period, actual Investment Proceeds earned to date are used in place of the reasonably expected earnings. An issue does not fail to satisfy the spending requirement for the third spending period above as a result of a Reasonable Retainage if the Reasonable Retainage is allocated to expenditures within 30 months of the issue date. The 18-month exception does not apply to an issue any portion of which is treated as meeting the Rebate Requirement as a result of satisfying the two-year exception.

(d) Two-Year Exception. A Construction Issue is treated as meeting the Rebate Requirement for Available Construction Proceeds under this exception if those proceeds are allocated to expenditures for governmental purposes of the issue in accordance with the following schedule (the “two-year expenditure schedule”), measured from the issue date:

(i) at least 10 percent within six months;

(ii) at least 45 percent within one year;

- (iii) at least 75 percent within 18 months; and
- (iv) 100 percent within two years.

An issue does not fail to satisfy the spending requirement for the fourth spending period above as a result of unspent amounts for Reasonable Retainage if those amounts are allocated to expenditures within three years of the issue date.

(e) Expenditures for Governmental Purposes of the Issue. For purposes of the spending exceptions, expenditures for the governmental purposes of an issue include payments for interest, but not principal, on the issue and for principal or interest on another issue of obligations. The preceding sentence does not apply for purposes of the 18-month and two-year exceptions if those payments cause the issue to be a refunding issue.

(f) De Minimis Rule. Any failure to satisfy the final spending requirement of the 18-month exception or the two-year exception is disregarded if the issuer exercises due diligence to complete the project financed and the amount of the failure does not exceed the lesser of three percent of the issue price of the issue or \$250,000.

(g) Elections Applicable to the Two-Year Exception. An issuer may make one or more of the following elections with respect to the two-year spending exception:

(1) Earnings on Reasonably Required Reserve or Replacement Fund. An issuer may elect on or before the issue date to exclude from Available Construction Proceeds the earnings on any reasonably required reserve or replacement fund. If the election is made, the Rebate Requirement applies to the excluded amounts from the issue date.

(2) Actual Facts. For the provisions relating to the two-year exception that apply based on the issuer's reasonable expectations, an issuer may elect on or before the issue date to apply all of those provisions based on actual facts. This election does not apply for purposes of determining whether an issue is a Construction Issue and if the 1-1/2 percent penalty election is made.

(3) Separate Issue. For purposes of the two-year exception, if any proceeds of any issue are to be used for Construction Expenditures, the issuer may elect on or before the issue date to treat the portion of the issue that is not a refunding issue as two, and only two, separate issues, if (i) one of the separate issues is a Construction Issue, (ii) the issuer reasonably expects, as of the issue date, that such Construction Issue will finance all of the Construction Expenditures to be financed by the issue and (iii) the issuer makes an election to apportion the issue in which it identifies the amount of the issue price of the issue allocable to the Construction Issue.

(4) Penalty in Lieu of Rebate. An issuer of a Construction Issue may irrevocably elect on or before the issue date to pay a penalty (the "1-1/2 percent penalty") to the United States in lieu of the obligation to pay the rebate amount on Available Construction Proceeds upon failure to satisfy the spending requirements of the two-year expenditure schedule. The 1-1/2 percent penalty is calculated separately for each

spending period, including each semiannual period after the end of the fourth spending period, and is equal to 1.5 percent times the underexpended proceeds as of the end of the spending period. For each spending period, underexpended proceeds equal the amount of Available Construction Proceeds required to be spent by the end of the spending period, less the amount actually allocated to expenditures for the governmental purposes of the issue by that date. The 1-1/2 percent penalty must be paid to the United States no later than 90 days after the end of the spending period to which it relates. The 1-1/2 percent penalty continues to apply at the each of each spending period and each semiannual period thereafter until the earliest of the following: (i) the termination of the penalty under Treasury Regulation Section 1.148-7(1), (ii) the expenditure of all of the Available Construction Proceeds or (iii) the last stated final maturity date of bonds that are part of the issue and any bonds that refund those bonds. If an issue meets the exception for Reasonable Retainage except that all retainage is not spent within three years of the issue date, the issuer must pay the 1-1/2 percent penalty to the United States for any Reasonable Retainage that was not so spent as of the close of the three-year period and each later spending period.

(h) Special Definitions Relating to Spending Expenditures.

(1) Available Construction Proceeds shall mean, with respect to an issue, the amount equal to the sum of the issue price of the issue, earnings on such issue price, earnings on amounts in any reasonably required reserve or replacement fund not funded from the issue and earnings on all of the foregoing earnings, less the amount of such issue price in any reasonably required reserve or replacement fund and less the issuance costs financed by the issue. For purposes of this definition, earnings include earnings on any tax-exempt bond. For the first three spending periods of the two-year expenditure schedule described in Treasury Regulation Section 1.148-7(e), Available Construction Proceeds include the amount of future earnings that the issuer reasonably expected as of the issue date. For the fourth spending period described in Treasury Regulation Section 1.148-7(e), Available Construction Proceeds include the actual earnings received. Earnings on any reasonably required reserve or replacement fund are Available Construction Proceeds only to the extent that those earnings accrue before the earlier of (i) the date construction is substantially completed or (ii) the date that is two years after the issue date. For this purpose, construction may be treated as substantially completed when the issuer abandons construction or when at least 90 percent of the total costs of the construction that the issuer reasonably expects as of such date will be financed with proceeds of the issue have been allocated to expenditures. If only a portion of the construction is abandoned, the date of substantial completion is the date the non-abandoned portion of the construction is substantially completed.

(2) Construction Expenditures shall mean capital expenditures (as defined in Treasury Regulation Section 1.150-1) that are allocable to the cost of Real Property or Constructed Personal Property. Construction Expenditures do not include expenditures for acquisitions of interest in land or other existing Real Property.

(3) Construction Issue shall mean any issue that is not a refunding issue if (i) the issuer reasonably expects, as of the issue date, that at least 75 percent of the

Available Construction Proceeds of the issue will be allocated to Construction Expenditures for property owned by a governmental unit or a 501(c)(3) organization and (ii) any private activity bonds that are part of the issue are qualified 501(c)(3) bonds or private activity bonds issued to financed property to be owned by a governmental unit or a 501(c)(3) organization.

(4) Constructed Personal Property shall mean Tangible Personal Property or Specially Developed Computer Software if (i) a substantial portion of the property is completed more than six months after the earlier of the date construction or rehabilitation commenced and the date the issuer entered into an acquisition contract; (ii) based on the reasonable expectations of the issuer, if any, or representations of the person constructing the property, with the exercise of due diligence, completion of construction or rehabilitation (and delivery to the issuer) could not have occurred within that six-month period; and (iii) if the issuer itself builds or rehabilitates the property, not more than 75 percent of the capitalizable cost is attributable to property acquired by the issuer.

(5) Real Property shall mean land and improvements to land, such as buildings or other inherently permanent structures, including interests in real property. For example, Real Property includes wiring in a building, plumbing systems, central heating or air-conditioning systems, pipes or ducts, elevators, escalators installed in a building, paved parking areas, roads, wharves and docks, bridges, and sewage lines.

(6) Reasonable Retainage shall mean an amount, not to exceed five percent of (i) Available Construction Proceeds as of the end of the two-year expenditure schedule (in the case of the two-year exception to the Rebate Requirement) or (ii) Net Sale Proceeds as of the end of the 18-month expenditure schedule (in the case of the 18-month exception to the Rebate Requirement), that is retained for reasonable business purposes relating to the property financed with the issue. For example, a Reasonable Retainage may include a retention to ensure or promote compliance with a construction contract in circumstances in which the retained amount is not yet payable, or in which the issuer reasonably determines that a dispute exists regarding completion or payment.

(7) Specially Developed Computer Software shall mean any programs or routines used to cause a computer to perform a desired task or set of tasks, and the documentation required to describe and maintain those programs, provided that the software is specially developed and is functionally related and subordinate to Real Property or other Constructed Personal Property.

(8) Tangible Personal Property shall mean any tangible personal other than Real Property, including interests in tangible personal property. For example, Tangible Personal Property includes machinery that is not a structural component of a building, subway cars, fire trucks, automobiles, office equipment, testing equipment, and furnishings.

(i) Special Rules Relating to Refundings.

(1) Transferred Proceeds. In the event that a prior issue that might otherwise qualify for one of the spending exceptions is refunded, then for purposes of applying the spending exceptions to the prior issue, proceeds of the prior issue that become transferred proceeds of the refunding issue continue to be treated as unspent proceeds of the prior issue; if such unspent proceeds satisfy the requirements of one of the spending exceptions then they are not subject to rebate either as proceeds of the prior issue or of the refunding issue. Generally, the only spending exception applicable to refunding issues is the six-month exception. In applying the six-month exception to a refunding of a prior issue, only transferred proceeds of the refunding issue from a taxable prior issue and other amounts excluded from the definition of gross proceeds of the prior issue under the special definition of gross proceeds contained in section (b) above are treated as gross proceeds of the refunding issue and so are subject to the six-month exception applicable to the refunding issue.

(2) Series of Refundings. In the event that an issuer undertakes a series of refundings for a principal purpose of exploiting the difference between taxable and tax-exempt interest rates, the six-month spending exception is measured for all issues in the series commencing on the date the first bond of the series is issued.

(j) Elections Applicable to Pool Bonds. An issuer of a pooled financing issue can elect to apply the spending exceptions separately to each loan from the date such loan is made or, if earlier, on the date one year after the date the pool bonds are issued. In the event this election is made, no spending exceptions are available and the normal Rebate Requirement applies to Gross Proceeds prior to the date on which the applicable spending periods begin. In the event this election is made, the issuer may also elect to make all elections applicable to the two-year spending exception, described in section (g) above, separately for each loan; any such elections that must ordinarily be made prior to the issue date must then be made by the issuer before the earlier of the date the loan is made or one year after the issue date.

## **EXHIBIT "B "**

### **POLICIES AND PROCEDURES FOR MONITORING POST-ISSUANCE COMPLIANCE WITH THE REQUIREMENTS OF THE INTERNAL REVENUE CODE**

In connection with the issuance of tax-exempt obligations (including, without limitation, Note, notes, loans, leases and certificates) (together, "tax-exempt Note") that are subject to certain requirements under the Internal Revenue Code of 1986, as amended (the "Code"), the Greater Leesburg Community Redevelopment Agency (the "Agency") hereby adopts the following policies and procedures which are intended to constitute written procedures for ongoing compliance with the Federal tax requirements applicable to the tax-exempt Note and for the timely identification and remediation of violations of such requirements as follows.

1. In connection with the issuance of tax-exempt Note, an authorized representative of the Agency will sign a tax certificate prepared by Bond Counsel which sets forth (i) the Agency's reasonable expectations as to the use of the proceeds of the tax-exempt note; and (ii) instructions for post-issuance compliance with the federal tax laws relating to the tax-exempt note.

2. The Commissioners of the Agency (the "Board") shall identify persons responsible for monitoring ongoing compliance with the tax requirements of the Code applicable to the expenditure of proceeds of the tax-exempt Note and the private use of bond-financed projects. The Board or such other responsible persons, shall annually review compliance with these procedures and the terms of the applicable tax certificates in order to determine whether any violations have occurred so that such violations can be timely remediated through the "remedial action" provisions of the United States Treasury Regulations or through the Voluntary Closing Agreement Program administered by the Internal Revenue Service (the "IRS").

3. The Board or such other responsible persons will work with Bond Counsel, a financial advisor or underwriter, if applicable, to obtain a written certification as to the offering price of note so as to establish the issue price of notes for arbitrage purposes.

4. The Board or such other responsible persons will work with Bond Counsel to ensure that the IRS Form 8038-G is filed in a timely manner in connection with the issuance of notes.

5. The Board or other designated responsible persons will periodically check the financial records and expenditures of the Agency to ensure that: (i) clear and consistent accounting procedures are being used to track the investment and expenditure of bond proceeds, (ii) bond proceeds are timely expended in accordance with the applicable temporary period rules of the arbitrage regulations, and (iii) bond proceeds are expended in accordance with the expectations contained in the tax certificate. The Board or such other responsible persons will ensure that a final allocation of bond proceeds (including investment earnings) to qualifying expenditures is made with respect to its tax-exempt bond proceeds.

6. The Board or other designated responsible persons will review arrangements for the use of bond-financed facilities with non-governmental persons or organizations or the federal

government (collectively referred to as “private persons”) in order to ensure that applicable private activity bond limitations are not exceeded. Such review shall include the review of contracts or arrangements with private persons with respect to bond-financed facilities which could result in private business use of the facilities, including the sale of facilities, leases, management or service contracts, research contracts or other contracts involving “special legal entitlements” to bond-financed facilities. If it appears that applicable private activity bond limitations are exceeded, the Board or such other responsible persons shall immediately contact Bond Counsel.

7. The Board or other designated responsible persons shall comply with the arbitrage rebate covenants contained in the tax certificate. The Board or other designated responsible persons shall hire a rebate analyst or otherwise ensure that the rebate calculations are conducted in a timely manner in order to determine compliance with arbitrage yield restrictions and rebate requirements with respect to its notes.

8. The Board or other designated responsible persons shall ensure that for each issue of notes, the transcript and all records and documents described in these procedures or in the tax certificate will be maintained while any of the notes are outstanding and during the three-year period following the final maturity or redemption of that bond issue, or if the notes are refunded (or re-refunded), while any of the refunding notes are outstanding and during the three-year period following the final maturity or redemption of the refunding notes.

9. The Board or other designated responsible persons will follow the above-described procedures to comply with all tax-exempt notes requirements. If any violations of the above or other applicable provisions of the federal tax laws relating to tax-exempt notes are discovered, the Board or other designated responsible persons shall immediately contact Bond Counsel to determine the appropriate course of action to remedy such violation, including contacting the IRS, if necessary.



## Rivas, Indra (Orl)

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**From:** Rivas, Indra (Orl)  
**Sent:** Tuesday, February 03, 2015 1:32 PM  
**To:** 'Williams\_Sharon'  
**Cc:** Williams, Michael (Ptnr-Orl)  
**Subject:** Greater Leesburg Community Redevelopment Agency, Redevelopment Revenue Note, Series 2015  
**Attachments:** IRS Letter Certified - Greater Leesburg CRA.PDF; Bond Debt Service - Greater Leesburg CRA.PDF; Maturity Date - Greater Leesburg CRA.PDF; Optional Redemption - Greater Leesburg CRA.PDF

Dear Sharon,

The Bond Information Form for Greater Leesburg Community Redevelopment Agency, Redevelopment Revenue Note, Series 2015 was filed online. Please find attached the executed copy of the 8038-G with proof of filing with the IRS, Debt Service Schedule, Maturity Schedule and Optional Redemption. Please note no offering document was prepared for this transaction.

Thank you,

**Indra Rivas**

Public Finance Coordinator  
Akerman LLP | 420 South Orange Avenue | Suite 1200 | Orlando, FL 32801-4904  
Dir: 407.419.8577 | Main: 407.423.4000 | Fax: 407.843.6610  
indra.rivas@akerman.com

STATE OF FLORIDA  
DIVISION OF BOND FINANCE  
LOCAL BOND MONITORING SECTION

**This form represents an update and compilation of the BF2003, BF2004-A and BF2004-B forms.**

- \* Bond Information forms (BF2003) are required to be completed by local governments pursuant to Chapter 19A-1.003, Florida Administrative Code (F.A.C.).
- \* Bond Disclosure forms BF2004-A (Competitive Sale) or BF2004-B (Negotiated Sale) are required to be filed with the Division within 120 days of the delivery of the issue pursuant to Sections 218.38(1)(b)1 and 218.38(1)(c)1, Florida Statutes (F.S.), respectively.
- \* Final Official Statements, if prepared, are required to be submitted pursuant to Section 218.38(1), F.S..
- \* Please complete **all items** applicable to the issuer as provided by the Florida Statutes.
- \* PURSUANT TO SECTION 218.369, F.S., ISSUERS OF BOND ANTICIPATION NOTES ARE **EXEMPT** FROM THESE FILING REQUIREMENTS.

**BF2003  
BOND INFORMATION FORM**

**PART I. ISSUER INFORMATION**

1. NAME OF GOVERNMENTAL UNIT: Greater Leesburg Community Redevelopment Agency
2. MAILING ADDRESS OF GOVERNMENTAL UNIT OR ITS MANAGER: 501 West Meadow Street, Leesburg, FL 34748
3. COUNTY(IES) IN WHICH GOVERNMENTAL UNIT HAS JURISDICTION: Lake
4. TYPE OF ISSUER: ☐ COUNTY ☐ CITY ☐ AUTHORITY ☐ INDEPENDENT SPECIAL DISTRICT  
☒ DEPENDENT SPECIAL DISTRICT ☐ OTHER (SPECIFY) \_\_\_\_\_

**PART II. BOND ISSUE INFORMATION**

1. NAME OF BOND ISSUE: Redevelopment Revenue Note, Series 2015
2. AMOUNT ISSUED: \$ 1,000,000      3. AMOUNT AUTHORIZED: \$ 1,000,000
4. DATED DATE: 01-14-2015      5. SALE DATE: 01-12-2015      6. DELIVERY DATE: 01-14-2015
7. LEGAL AUTHORITY FOR ISSUANCE: FLORIDA STATUTES Ch. 163, Part III  
SPECIAL ACTS \_\_\_\_\_  
OTHER \_\_\_\_\_
8. TYPE OF ISSUE: ☐ GENERAL OBLIGATION ☐ SPECIAL ASSESSMENT ☐ SPECIAL OBLIGATION  
☐ REVENUE ☐ COP (CERTIFICATE OF PARTICIPATION) ☐ LEASE-PURCHASE  
☒ BANK LOAN/LINE OF CREDIT
9. A. IS THIS A PRIVATE ACTIVITY BOND (PAB)? ☐ YES ☒ NO  
B. (1) IF YES, DID THIS ISSUE RECEIVE A PAB ALLOCATION? ☐ YES ☐ NO  
(2) IF YES, AMOUNT OF ALLOCATION: \$ \_\_\_\_\_
10. SPECIFIC REVENUE(S) PLEDGED:  
(1) PRIMARY Tax Increments Revenues  
(2) SECONDARY City Covenant to Budget and Appropriate Non-Ad Valorem Revenues  
(3) OTHER(S) \_\_\_\_\_

11 A. PURPOSE(S) OF THE ISSUE:

- (1) PRIMARY To Construct Community Redevelopment  
(2) SECONDARY \_\_\_\_\_  
(3) OTHER(S) \_\_\_\_\_

B. IF PURPOSE IS REFUNDING, COMPLETE THE FOLLOWING:

(1) FOR EACH ISSUE REFUNDED LIST: NAME OF ISSUE, DATED DATE, ORIGINAL PAR VALUE (PRINCIPAL AMOUNT) OF ISSUE, AND AMOUNT OF PAR VALUE (PRINCIPAL AMOUNT) REFUNDED.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(2) REFUNDED DEBT HAS BEEN: \_\_\_\_\_ RETIRED OR \_\_\_\_\_ DEFEASED

(3) A. DID THE REFUNDING ISSUE CONTAIN NEW MONEY? \_\_\_\_\_ YES \_\_\_\_\_ NO

B. IF YES, APPROXIMATELY WHAT PERCENTAGE OF PROCEEDS IS NEW MONEY? \_\_\_\_\_%

12. TYPE OF SALE: \_\_\_\_\_ COMPETITIVE BID \_\_\_\_\_ NEGOTIATED ☒ NEGOTIATED PRIVATE PLACEMENT

13. BASIS OF INTEREST RATE CALCULATION, I.E., INTEREST RATE USED TO STRUCTURE THE BOND ISSUE:

NET INTEREST COST RATE (NIC) \_\_\_\_\_% TRUE INTEREST COST RATE (TIC) \_\_\_\_\_%

CANADIAN INTEREST COST RATE (CIC) \_\_\_\_\_% ARBITRAGE YIELD (ARBI) 2.9104 %

SPECIFY OTHER: \_\_\_\_\_

14. INSURANCE/ENHANCEMENTS: \_\_\_\_\_ AGIC \_\_\_\_\_ AMBAC \_\_\_\_\_ CGIC \_\_\_\_\_ CLIC \_\_\_\_\_ FGIC \_\_\_\_\_ FSA

\_\_\_\_\_ HUD \_\_\_\_\_ MBIA \_\_\_\_\_ NGM \_\_\_\_\_ LOC(LETTER OF CREDIT) \_\_\_\_\_ OTHER (SPECIFY) \_\_\_\_\_

☒ NOT INSURED

15. RATING(S): \_\_\_\_\_ MOODY'S \_\_\_\_\_ S & P \_\_\_\_\_ FITCH \_\_\_\_\_ DUFF&PHELPS \_\_\_\_\_ OTHER (SPECIFY) \_\_\_\_\_

☒ NOT RATED

16. DEBT SERVICE SCHEDULE: ATTACH **COMPLETE** COPY OF SCHEDULE PROVIDING THE FOLLOWING INFORMATION:

MATURITY DATES (MO/DAY/YR) SEE ATTACHED  
COUPON/INTEREST RATES

ANNUAL INTEREST PAYMENTS

PRINCIPAL (PAR VALUE) PAYMENTS -

MANDATORY TERM AMORTIZATION -

**GREATER LEESBURG COMMUNITY REDEVELOPMENT AGENCY  
REDEVELOPMENT REVENUE NOTE  
SERIES 2015**

<u>Principal</u>	<u>Maturity Date</u>	<u>Note Rate</u>	<u>Dated Date</u>
\$1,000,000	October 1, 2026	2.91%	January 14, 2015

BOND DEBT SERVICE

Leesburg, FL - Greater Leesburg CRA  
Series 2015

\*\*\* Final Numbers \*\*\*

Bank Loan Provider - Citizens First Bank

Period Ending	Principal	Interest	Debt Service	Annual Debt Service
04/01/2015		6,224.18	6,224.18	
10/01/2015	52,000	14,550.00	66,550.00	72,774.18
04/01/2016		13,793.40	13,793.40	
10/01/2016	74,000	13,793.40	87,793.40	101,586.80
04/01/2017		12,716.70	12,716.70	
10/01/2017	77,000	12,716.70	89,716.70	102,433.40
04/01/2018		11,596.35	11,596.35	
10/01/2018	79,000	11,596.35	90,596.35	102,192.70
04/01/2019		10,446.90	10,446.90	
10/01/2019	81,000	10,446.90	91,446.90	101,893.80
04/01/2020		9,268.35	9,268.35	
10/01/2020	83,000	9,268.35	92,268.35	101,536.70
04/01/2021		8,060.70	8,060.70	
10/01/2021	86,000	8,060.70	94,060.70	102,121.40
04/01/2022		6,809.40	6,809.40	
10/01/2022	88,000	6,809.40	94,809.40	101,618.80
04/01/2023		5,529.00	5,529.00	
10/01/2023	91,000	5,529.00	96,529.00	102,058.00
04/01/2024		4,204.95	4,204.95	
10/01/2024	94,000	4,204.95	98,204.95	102,409.90
04/01/2025		2,837.25	2,837.25	
10/01/2025	96,000	2,837.25	98,837.25	101,674.50
04/01/2026		1,440.45	1,440.45	
10/01/2026	99,000	1,440.45	100,440.45	101,880.90
	1,000,000	94,181.08	1,194,181.08	1,194,181.08

17. LIST OR ATTACH OPTIONAL REDEMPTION PROVISIONS: See attached.

18. PROVIDE THE NAME AND ADDRESS OF THE SENIOR MANAGING UNDERWRITER OR SOLE PURCHASER.

Citizens Bank

1050 Lake Sumter Landing

The Villages, Florida 32162

19. PROVIDE THE NAME(S) AND ADDRESS(ES) OF ANY ATTORNEY OR FINANCIAL CONSULTANT WHO ADVISED THE UNIT OF LOCAL GOVERNMENT WITH RESPECT TO THE BOND ISSUE.

☐ NO BOND COUNSEL

☐ NO FINANCIAL ADVISOR

☐ NO OTHER PROFESSIONALS

BOND COUNSEL(S):

Akerman LLP

420 S. Orange Avenue, Suite 1200

Orlando, FL 32801

FINANCIAL ADVISOR(S)/CONSULTANT(S):

Public Financial Management, Inc.

300 S. Orange Avenue, Suite 1170

Orlando, Florida 32801

OTHER PROFESSIONALS:

McLin Burnsed P.A. - Issuer Counsel

20. PAYING AGENT Issuer ☐ NO PAYING AGENT

21. REGISTRAR Issuer ☐ NO REGISTRAR

22. COMMENTS: \_\_\_\_\_

**PART III. RESPONDENT INFORMATION**

FOR ADDITIONAL INFORMATION, THE DIVISION SHOULD CONTACT:

Name and Title Michael D. Williams, Bond Counsel Phone 407-423-4000

Company Akerman LLP

INFORMATION RELATING TO PARTY COMPLETING THIS FORM (If different from above):

Name and Title \_\_\_\_\_ Phone \_\_\_\_\_

Company \_\_\_\_\_

Date Report Submitted \_\_\_\_\_

### Optional Redemption

The Note may be prepaid by the Agency in whole or in part at any time at a prepayment price of 100% of the principal amount to be redeemed plus accrued interest to the prepayment date upon at least five (5) days notice of such prepayment from the Agency to the Holder.

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**BF2004-A and BF2004-B**

**NOTE:** The following items are required to be completed in full for all bond issues **except** those sold pursuant to Section 154 Part III; Sections 159 Parts II, III or V; or Section 243 Part II, Florida Statutes.

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23. ANY FEE, BONUS, OR GRATUITY PAID BY ANY UNDERWRITER OR FINANCIAL CONSULTANT, IN CONNECTION WITH THE BOND ISSUE, TO ANY PERSON NOT REGULARLY EMPLOYED OR ENGAGED BY SUCH UNDERWRITER OR CONSULTANT:

  X   NO FEE, BONUS OR GRATUITY PAID BY UNDERWRITER OR FINANCIAL CONSULTANT

(1) COMPANY NAME \_\_\_\_\_  
FEE PAID: \$ \_\_\_\_\_ SERVICE PROVIDED or FUNCTION SERVED: \_\_\_\_\_

(2) COMPANY NAME \_\_\_\_\_  
FEE PAID: \$ \_\_\_\_\_ SERVICE PROVIDED or FUNCTION SERVED: \_\_\_\_\_

(3) COMPANY NAME \_\_\_\_\_  
FEE PAID: \$ \_\_\_\_\_ SERVICE PROVIDED or FUNCTION SERVED: \_\_\_\_\_

(4) COMPANY NAME \_\_\_\_\_  
FEE PAID: \$ \_\_\_\_\_ SERVICE PROVIDED or FUNCTION SERVED: \_\_\_\_\_

24. ANY OTHER FEES PAID BY THE UNIT OF LOCAL GOVERNMENT WITH RESPECT TO THE BOND ISSUE, INCLUDING ANY FEE PAID TO ATTORNEYS OR FINANCIAL CONSULTANTS:

       NO FEES PAID BY ISSUER

(1) COMPANY NAME Akerman LLP  
FEE PAID: \$ 11,000 SERVICE PROVIDED or FUNCTION SERVED: Bond Counsel

(2) COMPANY NAME Public Financial Management, Inc.  
FEE PAID: \$ 7,500 SERVICE PROVIDED or FUNCTION SERVED: Financial Advisor

(3) COMPANY NAME Potter Clement Lownders  
FEE PAID: \$ 3,000 SERVICE PROVIDED or FUNCTION SERVED: Purchaser's Counsel

(4) COMPANY NAME McLin Burnsed P.A.  
FEE PAID: \$ 3,500 SERVICE PROVIDED or FUNCTION SERVED: Issuer's Counsel

(5) COMPANY NAME \_\_\_\_\_  
FEE PAID: \$ \_\_\_\_\_ SERVICE PROVIDED or FUNCTION SERVED: \_\_\_\_\_

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(UNLESS YOU ARE EXEMPT FROM FILING A BF2004), PLEASE PROVIDE THE SIGNATURE OF EITHER THE CHIEF EXECUTIVE OFFICER OF THE GOVERNING BODY OF THE UNIT OF LOCAL GOVERNMENT OR THE GOVERNMENTAL OFFICER PRIMARILY RESPONSIBLE FOR COORDINATING THE ISSUANCE OF THE BONDS:

NAME (Typed/Printed): Bill Spinelli SIGNATURE: 

TITLE: Treasurer DATE: 01-14-2015

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**BF2004-B**

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**ITEMS 25 AND 26 MUST BE COMPLETED FOR ALL BONDS SOLD BY NEGOTIATED SALE**

25. MANAGEMENT FEE CHARGED BY UNDERWRITER: \$ \_\_\_\_\_ PER THOUSAND PAR VALUE.  
OR  
PRIVATE PLACEMENT FEE: \$ \_\_\_\_\_  
☒ **NO MANAGEMENT FEE OR PRIVATE PLACEMENT FEE**
26. UNDERWRITER'S EXPECTED GROSS SPREAD: \$ \_\_\_\_\_ PER THOUSAND PAR VALUE.  
☐ **NO GROSS SPREAD**
- 

**PART IV. CONTINUING DISCLOSURE INFORMATION**

In order to better serve local governments, the Division of Bond Finance will remind issuers as their deadlines approach for filing continuing disclosure information required by SEC Rule 15c2-12, based on the following information:

27. Is the issuer required to provide continuing disclosure information in accordance with SEC Rule 15c2-12?

☐ Yes

☒ No

28. If yes, on what date is the continuing disclosure information required to be filed?

\_\_\_\_\_

29. Provide the following information regarding the person(s) responsible for filing continuing disclosure information required by SEC Rule 15c2-12 and the continuing disclosure agreement (including other obligated parties, if appropriate).

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

FAX Number: \_\_\_\_\_

E-mail address (if e-mail notification is requested): \_\_\_\_\_

---

**PART V. RETURN THIS FORM AND THE FINAL OFFICIAL STATEMENT, IF ONE WAS PREPARED,**

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**TO:**

**Courier Deliveries:** Division of Bond Finance  
State Board of Administration  
1801 Hermitage Blvd., Suite 200  
Tallahassee, FL 32308

**Mailing Address:** Division of Bond Finance  
State Board of Administration  
P. O. Drawer 13300  
Tallahassee, FL 32317-3300

**Phone:** 850/413-1304 or 413-1305

**FAX:** 850/413-1315

REVISED Dec. 9, 2002 / bfcombo

**CERTIFICATE OF COMPLIANCE  
WITH FLORIDA STATUTE 189.4085**

The undersigned, a duly authorized officer of Citizens First Bank, hereby certifies in connection with the issuance, sale and delivery of the \$1,000,000 principal amount of Greater Leesburg Community Redevelopment Agency Redevelopment Revenue Note, Series 2015 (the "Note") that Citizens First Bank is an accredited investor within the meaning of Chapter 517, Florida Statutes, and the rules of the Florida Department of Financial Services.

IN WITNESS WHEREOF, this Certificate has been executed as of this 14<sup>th</sup> day of January, 2015.

**CITIZENS FIRST BANK**

By: \_\_\_\_\_



Authorized Officer

**STATE OF FLORIDA - DIVISION OF BOND FINANCE LOCAL BOND MONITORING**

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**Notice of Sale Status**

Notice of Sale submission successful.

Submit Date: 11/25/2014

Bond Issue Name: City of Leesburg, Florida Greater Leesburg CRA, 2014 Bank Loan

Sale Date: 12/15/2014

Closing Date: 12/22/2014

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[Print this page](#)


**CROSS RECEIPT**

January 14, 2015

Greater Leesburg Community Redevelopment Agency  
Leesburg, Florida

We have deposited for your account the amount of \$1,000,000 for payment of your \$1,000,000 Redevelopment Revenue Note, Series 2015 dated January 14, 2015 received today from you by the undersigned.

**CITIZENS FIRST BANK**

By:   
Brad Weber  
Senior Vice President

Please acknowledge receipt of  
the foregoing deposit by signing  
and returning a copy of this letter.

**GREATER LEESBURG COMMUNITY  
REDEVELOPMENT AGENCY**

  
Secretary

### ANTI-DILUTION CERTIFICATE

This Certificate is being delivered by the undersigned City Manager and Finance Director of the City of Leesburg, Florida (the "City") in connection with the issuance on the date hereof of the \$1,000,000 Greater Leesburg Community Redevelopment Agency Redevelopment Revenue Note, Series 2015 (the "Note"). Pursuant to an Interlocal Agreement dated the date hereof by and among the City and the Community Redevelopment Agency the City has covenanted to budget and appropriate Non Ad-Valorem Revenues in an amount equal to the Deficiency as defined in said Interlocal Agreement. For purposes of this Certificate and said Interlocal Agreement, Non-Ad Valorem Revenues are defined as all non-ad valorem revenues of the City that are legally available to make payments on debt secured by the City's covenant to budget and appropriate Non-Ad Valorem Revenues, except for (i) revenues of any enterprise fund of the City, unless and until such revenues are transferred from such enterprise fund to the City's general fund, and (ii) non-ad valorem revenues required to pay or make provision for the payment of the Costs of Essential Services (as defined below).

In connection with providing the Certification set forth below, we have reviewed the City's audits for the City's fiscal years ended September 30, 2012 and September 30, 2013 (the two most recent fiscal years of the City for which audited financial statements of the City are available) and have reviewed the schedule attached hereto. In providing this Certification, we have reviewed such other financial information of the City as we have deemed relevant and have asked such questions of the City's financial advisor, the City's bond counsel, the City Attorney and others as we have deemed necessary to deliver the certification set forth below.

In connection with the issuance of the Note, we hereby certify as follows:

(i) the average of the Available Non-Ad Valorem Revenues for the two most recent Fiscal Years for which audited financial statements of the City are available is equal to or greater than 2.00x the projected maximum annual debt service (not reduced by any payments made or expected to be made from sources other than Available Non-Ad Valorem Revenues) on the Note and all other debt and obligations secured by and/or payable from all or a portion of Available Non-Ad Valorem Revenues to be outstanding following the issuance of the Note; and

(ii) (A) the Available Non-Ad Valorem Revenues for the most recent Fiscal Year for which audited financial statements of the City are available, less (B) the product of (I) the quotient of such Available Non-Ad Valorem Revenues divided by the Non-Enterprise Fund Revenues for such Fiscal Year, multiplied by (II) the Costs of Essential Services for such Fiscal Year, and less (C) the maximum annual debt service on debt and obligations secured by an express lien on all or a portion of the Available Non-Ad Valorem Revenues to be outstanding following the issuance of the Note is equal to or greater than 1.1x the Maximum Annual Covenant Debt Service with respect to debt and obligations to be outstanding following the issuance of the Note. [Available Non-Ad

Valorem Revenues – ((Available Non-Ad Valorem Revenues ÷ Non-Enterprise Fund Revenues) x (Costs of Essential Services)) – maximum annual debt service secured by lien on Available Non-Ad Valorem Revenues  $\geq 1.1 \times$  Maximum Annual Covenant Debt Service].

None of the debt included in (i) or (ii) above bears interest at a variable rate.

For purposes of the above certification, the following definitions apply:

“Available Non-Ad Valorem Revenues” shall mean all legally available non-ad valorem revenues inclusive of any non-ad valorem revenues pledged to pay debt service on any debt or obligations of the City except for revenues of any enterprise fund of the City but inclusive of any enterprise fund revenues transferred to the City’s general fund which are legally available to make the payments described above.

“Non-Enterprise Fund Revenues” shall mean all available revenues and receipts of the City (excluding revenues of any enterprise fund of the City, but including any enterprise fund revenues transferred to the City’s general fund), which are legally available for the payment of Costs of Essential Services.

“Costs of Essential Services” shall mean the cost of services and programs which are for essential public purposes affecting the health, welfare and safety of the inhabitants of the City or which are legally mandated by applicable law.

“Maximum Annual Covenant Debt Service” shall mean the maximum annual debt service (not reduced by any payments made or expected to be made from sources other than Available Non-Ad Valorem Revenues) on debt and obligations secured by a covenant to budget and appropriate Available Non-Ad Valorem Revenues for the payment thereof, or that are unsecured and expected by the City to be paid from Available Non-Ad Valorem Revenues.

The City does not have any unsecured debt.

January 14, 2015

CITY OF LEESBURG, FLORIDA

By:

  
City Manager

By:

  
Finance Director

CITY OF LEESBURG, FLORIDA  
ANTI-DILUTION TEST

<u>Anti-Dilution Test 1</u>	<u>FY11/FY12</u>	<u>FY12/FY13</u>
2 Year Average Legally Available Non-Ad Valorem Revenues	\$ 20,023,496	\$ 20,327,673
Maximum Annual Debt Service on Non-Ad Valorem Revenue Debt	3,650,239	3,650,239
<b>Coverage <sup>(1)</sup></b>	<b>5.49</b>	<b>5.57</b>

<u>Anti-Dilution Test 2</u>		<u>FYE 2012</u>	<u>FYE 2013</u>
Legally Available Non-Ad Valorem Revenues	A	21,080,615	19,574,730
Non-Enterprise Fund Revenues <sup>(2)</sup>	B	25,938,639	24,048,855
Costs of Essential Services	C	16,735,293	15,732,311
MADS Secured by a Lien on Pledgeable Non-Ad Valorem Revenues	D	1,786,841	1,786,841
Maximum Annual Debt Service on Covenant Debt	E	1,866,059	1,866,059
Available Revenues - $[ A - ((A/B) * C) - D ] =$	F	5,692,819	4,982,467
<b>Coverage <math>[ F / E ]</math> <sup>(3)</sup></b>		<b>3.05</b>	<b>2.67</b>

<sup>(1)</sup> 1.10 times coverage required - Additional Bonds Test

<sup>(2)</sup> line A plus Ad Valorem Taxes as shown on page 205 titled "Historical No-Ad Valorem Revenues Worksheet"

<sup>(3)</sup> 2.00 times coverage required - Additional Bonds Test