

RIVER RIDGE
COMMUNITY DEVELOPMENT
DISTRICT

REGULAR MEETING
AGENDA

October 25, 2016

River Ridge Community Development District
2300 Glades Road, Suite 410W • Boca Raton, Florida 33431
Phone (561) 571-0010 • Fax (561) 571-0013 • Toll-free: (877) 276-0889

October 18, 2016

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

Board of Supervisors
River Ridge Community Development District

Dear Board Members:

A Regular Meeting of the River Ridge Community Development District's Board of Supervisors will be held on **Tuesday, October 25, 2016 at 1:00 p.m.**, in the **Sound Room** at the **River Club Conference Center (Second Floor of Fitness Center)**, 4784 Pelican Sound Boulevard, Estero, Florida 33928. The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments: Agenda Items (*5 minutes per speaker*)
3. Continued Discussion: Traffic Calming
4. Discussion: Potential Ownership Transfer of Roadway from Torrey Pines Court to River Club Parking Lot
5. Consideration of Roadway Resurfacing Loan and Documents with Florida Community Bank
 - A. **Resolution 2017-1**, Authorizing the Issuance of its Improvement Revenue Note, Series 2016, in the Principal Amount Not to Exceed \$610,000 to Provide Funds for Improvements to District Streets and Related Costs; Providing That Such Note Shall Be Payable From Maintenance Special Assessments Upon Benefitted Properties in the District as Provided Herein; Awarding the Note to Florida Community Bank, N.A., By Negotiated Sale; Authorizing the District to Enter Into a Loan Agreement With Florida Community Bank, N.A.; Providing for the Rights, Security and Remedies for the Owner of Such Note; Providing for the Creation of Certain Funds; Making Certain Covenants and Agreements in Connection Therewith; Declaring the Issuer's Official Intent to Pay for the Project or a Portion Thereof Prior to the Issuance of the Note and to Issue the Note and to Use a Portion of the Proceeds Thereof to Reimburse Expenditures Paid or Incurred Prior to the Date of Issuance Thereof; and Providing an Effective Date
6. Acceptance of Unaudited Financial Statements as of September 30, 2016
7. Approval of **September 29, 2016** Regular Meeting Minutes
 - Action/Agenda Items

8. Other Business
9. Staff Reports
 - A. District Counsel
 - B. District Engineer
 - C. District Manager
 - i. **NEXT MEETING DATE: November 15, 2016 at 1:00 P.M.**
10. Supervisors' Requests and Public Comments (*5 minutes per speaker*)
11. Adjournment

Feel free to contact me directly at 239-464-7114 with any questions and/or concerns.

Sincerely,



Chesley E. Adams, Jr.
District Manager

**FOR BOARD MEMBERS AND STAFF TO
ATTEND BY TELEPHONE:**

CALL IN NUMBER: 1-888-354-0094

CONFERENCE ID: 8593810



October 13, 2016

Dear River Ridge Community Development District Board of Supervisors:

I am following up on the discussion at your September meeting in regard to the one section of roadway within Pelican Sound that is currently under the ownership of Pelican Sound Golf & River Club. It appears that the transfer of a small portion of roadway from Torrey Pines Court to our River Club parking lot was somehow overlooked during the build and close out of the community. With the roadway resurfacing project underway by the River Ridge CDD for their roadway, and Pelican Sound for their portion, it seems that after completion of the project it would make sense to get all the roadways within the community under the ownership and control of one identity. It seems the most logical choice for this ownership would be the River Ridge Community Development District as they own most of the roadways already and the section in question is contiguous to what they already own. It also makes sense from a continuing maintenance perspective due to the fact that the CDD has limits on its liability if any issues arise on or within the roadways.

At the October 13, 2016 Pelican Sound Golf & River Club Board of Directors meeting, a motion was made and unanimously approved to transfer the ownership of the roadway from Torrey Pines Court to the entrance of our River Club parking lot to the River Ridge Community Development District. As the registered agent of the Pelican Sound Board of Directors, I am requesting that you put this topic on the agenda for your next meeting of your Board of Supervisors. We would jointly work with you to sign and file any necessary documentation to transfer the ownership and obligations for this piece of roadway.

I thank you for your consideration on this topic and look forward to working with you to complete the ownership transfer.

Sincerely


Jim Whitmore
GM/COO

RESOLUTION NO. 2017-1

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE RIVER RIDGE COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE ISSUANCE OF ITS IMPROVEMENT REVENUE NOTE, SERIES 2016, IN THE PRINCIPAL AMOUNT NOT TO EXCEED \$610,000 TO PROVIDE FUNDS FOR IMPROVEMENTS TO DISTRICT STREETS AND RELATED COSTS; PROVIDING THAT SUCH NOTE SHALL BE PAYABLE FROM MAINTENANCE SPECIAL ASSESSMENTS UPON BENEFITTED PROPERTIES IN THE DISTRICT AS PROVIDED HEREIN; AWARDING THE NOTE TO FLORIDA COMMUNITY BANK, N.A. BY NEGOTIATED SALE; AUTHORIZING THE DISTRICT TO ENTER INTO A LOAN AGREEMENT WITH FLORIDA COMMUNITY BANK, N.A.; PROVIDING FOR THE RIGHTS, SECURITY AND REMEDIES FOR THE OWNER OF SUCH NOTE; PROVIDING FOR THE CREATION OF CERTAIN FUNDS; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; DECLARING THE ISSUER'S OFFICIAL INTENT TO PAY FOR THE PROJECT OR A PORTION THEREOF PRIOR TO THE ISSUANCE OF THE NOTE AND TO ISSUE THE NOTE AND TO USE A PORTION OF THE PROCEEDS THEREOF TO REIMBURSE EXPENDITURES PAID OR INCURRED PRIOR TO THE DATE OF ISSUANCE THEREOF; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE RIVER RIDGE COMMUNITY DEVELOPMENT DISTRICT THAT:

Section 1. Authority for this Resolution. This Resolution is adopted pursuant to the provisions of the Act, as hereinafter defined.

Section 2. Definitions. The following words and phrases shall have the following meanings when used herein:

“Act” means Chapter 190, Florida Statutes, the Enabling Ordinance, and other applicable provisions of law.

“Bank” means Florida Community Bank, N.A., the original purchaser of the Note.

“Chair” means the Chair or Vice Chair of the Issuer’s Board of Supervisors.

“Code” means the Internal Revenue Code of 1986, as amended, including the applicable regulations of the Department of the Treasury (including applicable final regulations, temporary regulations and proposed regulations), the applicable rulings of the Internal Revenue Service (including published Revenue Rulings and private letter rulings) and applicable court decisions.

“Costs of the Project” means with respect to the Project, all items of cost authorized by the Act, including the costs of issuance of the Note.

“Enabling Ordinance” means Ordinance No. 96-02, enacted by the Lee County Board of County Commissioners on February 7, 1996, as amended by Ordinance No. 98-07, enacted by the Lee County Board of County Commissioners on April 14, 1998.

“Issuer” or “District” means the independent special district known as the River Ridge Community Development District, created in accordance with the provisions of the Act, or its successor.

“Loan Agreement” means the Loan Agreement between the Bank and the Issuer, dated the date of issuance of the Note, authorized by Section 4 hereof.

“Note” means Issuer’s Improvement Revenue Note, Series 2016, described in Section 5 hereof.

“Owner” or “Owners” means the Person or Persons in whose name or names the Note shall be registered on the books of the Issuer kept for that purpose in accordance with provisions of this Resolution.

“Person” or “Persons” means natural persons, firms, trusts, estates, associations, corporations, partnerships and public bodies.

“Pledged Funds” means (i) the Special Assessments, (ii) the proceeds of any additional debt issued by the Issuer (with the exception of debt resulting from borrowing from the Pelican Sound Golf and River Club and debt to finance projects that are necessary for health, safety or welfare reasons or to remediate a natural or man-made disaster), and (iii) the amounts on deposit in the funds created under the Loan Agreement.

“Project” means capital improvements to certain streets in the Pelican Sound section of the District and related costs thereto including, but not limited to, engineering and legal expenses, capitalized interest and costs of issuance of the Note.

“Resolution” means this Resolution, pursuant to which the Note is authorized to be issued.

“Secretary” means the Secretary or any Assistant Secretary of the Issuer.

“Special Assessments” means the maintenance special assessments levied by the District on all of the assessable real property in the Pelican Sound section of the District in accordance with the Act.

“State” means the State of Florida.

“Supervisor” means a member of the Board of Supervisors of the Issuer.

Section 3. Resolution to Constitute a Contract. In consideration of the purchase and acceptance of the Note authorized to be issued hereunder by those who shall be the Owners thereof from time to time, this Resolution shall constitute a contract between the Issuer and the Owners.

Section 4. Authorization of Loan Agreement and Note. Subject and pursuant to the provisions of this Resolution, the Issuer is hereby authorized to enter into the Loan Agreement in substantially the form attached hereto as Exhibit "A," and the Note is hereby authorized to be issued under and secured by this Resolution and as provided in the Loan Agreement in the form attached to the Loan Agreement as Exhibit "A," in the principal amount not to exceed \$610,000 for the purpose of providing funds together with other funds of the Issuer to finance the Costs of the Project. The Issuer shall not use the proceeds of the Note for any purpose other than the Costs of the Project without the written approval of the Bank. Because of the characteristics of the Note, prevailing market conditions, and additional savings to be realized from an expeditious sale of the Note, it is in the best interest of the Issuer to negotiate with the Bank to purchase the Note at a private negotiated sale. Prior to the issuance of the Note the Issuer shall receive from the Bank a disclosure statement containing the information required by Section 218.385, Florida Statutes.

Section 5. Description of Note. The Note shall be dated the date of its execution and delivery and shall be in an amount not to exceed \$610,000, as shall be set forth in the final Loan Agreement, the approval of such amount to be conclusively evidenced by the Chair's execution of the Loan Agreement. The Note shall bear interest from such date as set forth in the Loan Agreement (subject to adjustment as provided in the Note), and shall mature not later than five years from the date of its issuance. The principal of the Note shall be payable on such dates, and the Note shall have such other terms and provisions and shall be in the form of the Note attached as Exhibit "A" to the Loan Agreement. The Note shall be executed on behalf of the Issuer with the manual signature of the Chair and attested by the Secretary and the said Chair and Secretary are hereby authorized to respectively execute and attest the Note on behalf of the Issuer.

Section 6. Limited Obligation. The Note, when delivered by the Issuer pursuant to the terms hereof and of the Loan Agreement, shall not be or constitute a general obligation or indebtedness of the Issuer, Lee County, Florida or the State, or any political subdivision thereof, within the meaning of any Constitutional, statutory or other limitation of indebtedness, but shall be a special obligation of the Issuer payable solely from the Pledged Funds as herein, in the Note and in the Loan Agreement provided. Any agreements or representations herein or contained in the Note or the Loan Agreement do not and shall never constitute or give rise to any personal or pecuniary liability or charge against the general credit of the Issuer, and in the event of a breach of any agreement, covenant, or representation, no personal or pecuniary liability or charge payable directly or indirectly from any revenues of the Issuer other than the Pledged Funds shall arise therefrom. No Owner shall ever have the right to compel the exercise of the taxing power of the Issuer to pay the Note or the interest thereon, or to make any other payments provided for in this Resolution including any deposits to the Note Payment Fund, or be entitled to payment of such principal and interest from any funds other than those pledged

herein for such purpose. The Note shall not constitute a lien upon any of the facilities of the Issuer.

Section 7. Note Secured by Lien on Pledged Funds. The Note shall be secured by, and the Issuer hereby grants to the Owner to secure payment of the Note, a lien upon and pledge of the Pledged Funds, as more particularly described in the Loan Agreement. The Issuer promises that it will promptly pay the principal of and interest on the Note at the place, on the dates and in the manner provided therein.

Section 8. Amendment. This Resolution shall not be modified or amended in any respect subsequent to the issuance of the Note without the written consent of the Owner.

Section 9. Limitation of Rights. With the exception of any rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Resolution or the Note is intended or shall be construed to give to any Person other than the Issuer and the Owner any legal or equitable right, remedy or claim under or with respect to this Resolution or any covenants, conditions and provisions herein contained; this Resolution and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the Issuer and the Owner.

Section 10. Severability. If any provision of this Resolution shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable in any context, the same shall not affect any other provision herein or render any other provision (or such provision in any other context) invalid, inoperative or unenforceable to any extent whatever.

Section 11. Applicable Provisions of Law. This Resolution shall be governed by and construed in accordance with the laws of the State.

Section 12. Captions. The captions and headings in this Resolution are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Resolution.

Section 13. Authorizations. The Chair, the Secretary and any other Supervisor, and such other officials and employees of the Issuer as may be designated by the Chair are each designated as agents of the Issuer in connection with the issuance and delivery of the Note and are authorized and empowered, collectively or individually, to take all action and steps and to execute the Loan Agreement and all other instruments, documents, and contracts on behalf of the Issuer that are necessary or desirable in connection with the execution and delivery of the Note, and which are specifically authorized or are not inconsistent with the terms and provisions of this Resolution.

Section 14. Designation of Note. The Issuer hereby designates the Note as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3)(B)(i) of the Code.

Section 15. Reimbursement Resolution. The Issuer may pay for a portion of the Costs of the Project before the Note is issued in anticipation of the reimbursement of such expenditures from proceeds of the Note. In accordance with Section 1.150-2 of the Federal income tax regulations requires an issuer to officially declare its intent to use proceeds of a tax exempt borrowing to reimburse expenditures paid prior to issuance thereof as a prerequisite to the proceeds being treated as used for reimbursement purposes.

To the extent the Issuer has not previously done so, the Issuer hereby declares its reasonable official intention to finance the costs of the Project through the issuance of the Note by the Issuer in an amount, at a minimum, that is necessary to finance the costs of the Project, up to a maximum principal amount of \$610,000.

Section 16. Effective Date. This Resolution shall take effect immediately upon its adoption.

ADOPTED at a meeting of the Board of Supervisors on the 25th day of October, 2016.

**RIVER RIDGE COMMUNITY
DEVELOPMENT DISTRICT**

(SEAL)

By: _____
Chair, Board of Supervisors

ATTEST:

By: _____
Secretary, Board of Supervisors

EXHIBIT "A"

FORM OF LOAN AGREEMENT

LOAN AGREEMENT

This LOAN AGREEMENT (the "Agreement") is made and entered into as of October 26, 2016, by and between the River Ridge Community Development District, an independent special district created pursuant to and in accordance with Chapter 190, Florida Statutes (the "Issuer"), and Florida Community Bank, N.A., a national banking association (the "Bank"), and their respective successors and assigns.

WHEREAS, the Board of Supervisors of the Issuer did, on October 25, 2016 adopt its Resolution No. 2017-1 (the "Resolution") authorizing, among other things, the borrowing by the Issuer of the principal amount not to exceed \$610,000 (the "Note") for the purpose of providing funds, together with other funds of the Issuer, to pay the Costs of the Project (as defined herein); and

WHEREAS, the Issuer has determined that the Note shall be in the amount of \$610,000.00; and

WHEREAS, the Bank, the initial holder of the Note, and the Issuer have determined that it is desirable and in their best interest to enter into this Agreement; and

WHEREAS, the Note shall be issued pursuant to the terms and provisions of the Resolution and this Agreement.

NOW, THEREFORE, the parties hereto, intending to be legally bound hereby and in consideration of the mutual covenants hereinafter contained, DO HEREBY AGREE as follows:

ARTICLE I

DEFINITION OF TERMS

Section 1.01 Definitions. The following words and terms as used in this Agreement shall have the following meanings:

"Act" means Chapter 190, Florida Statutes, the Enabling Ordinance, and other applicable provisions of law.

"Agreement" means this Loan Agreement and any and all modifications, alterations, amendments and supplements hereto made in accordance with the provisions hereof.

"Bank" means Florida Community Bank, N.A., the original purchaser of the Note.

"Business Day" means any day except any Saturday or Sunday or day on which the Principal Office of the Bank is lawfully closed.

"Chairman" means the Chairman or Vice Chairman of the Issuer's Board of Supervisors.

“Code” means the Internal Revenue Code of 1986, as amended, including the applicable regulations of the Department of the Treasury (including applicable final regulations, temporary regulations and proposed regulations), the applicable rulings of the Internal Revenue Service (including published Revenue Rulings and private letter rulings) and applicable court decisions.

“Costs of the Project” means with respect to the Project, all items of cost authorized by the Act, including the costs of issuance of the Note.

“Enabling Ordinance” means Ordinance No. 96-02, enacted by the Lee County Board of County Commissioners on February 7, 1996, as amended by Ordinance No. 98-07, enacted by the Lee County Board of County Commissioners on April 14, 1998.

“Event of Default” means an event of default specified in Article VI of this Agreement.

“Issuer” or “District” means the independent special district known as the River Ridge Community Development District, created in accordance with the provisions of the Act, or its successor.

“Loan” means the outstanding principal amount of the Note issued hereunder.

“Maturity Date” means May 1, 2021.

“Note” means the Issuer’s Improvement Revenue Note, Series 2016, described in Section 5.03 hereof.

“Noteholder” or “Holder” or “Owner” means the Bank as the holder of the Note, or any other Person or Persons in whose name the Note shall be registered on the books of the Issuer kept for that purpose in accordance with provisions of this Agreement.

“Person” means natural persons, firms, trusts, estates, associations, corporations, partnerships and public bodies.

“Pledged Funds” means (i) the Special Assessments, (ii) the proceeds of any additional debt issued by the Issuer (with the exception of debt resulting from borrowing from the Pelican Sound Golf and River Club and debt to finance projects that are necessary for health, safety or welfare reasons or to remediate a natural or man-made disaster), and (iii) the amounts on deposit in the funds created hereunder.

“Principal Office” means, with respect to the Bank, the office located at the address set forth in Section 7.06 hereof, or such other office as the Bank may designate to the Issuer in writing.

“Project” means capital improvements to certain streets in the Pelican Sound Golf and River Club section of the District and related costs thereto including, but not limited to, engineering and legal expenses, capitalized interest and costs of issuance of the Note.

“Resolution” means Resolution No. 2017-1, adopted by the Board of Supervisors of the Issuer on October 25, 2016.

“Reserve Fund” means the fund by that name established pursuant to Section 6.02 hereof.

“Revenue Fund” means the fund by that name established pursuant to Section 6.01 hereof.

“Secretary” means the Secretary or any Assistant Secretary of the Issuer.

“Special Assessments” means the maintenance special assessments levied by the District on all of the assessable real property in the Pelican Sound section of the District in accordance with the Act.

“State” means the State of Florida.

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. This Agreement and all the terms and provisions hereof shall be construed to effectuate the purposes 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 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 OF ISSUER

The Issuer represents and warrants to the Bank that:

Section 2.01 Powers of Issuer. The Issuer is a political subdivision duly organized and validly existing as an independent special district pursuant to the Act. The Issuer has the power to borrow the amount provided for in this Agreement, to execute and deliver this Agreement and the Note, to secure the Note in the manner contemplated hereby and to perform and observe all the terms and conditions of the Note and this Agreement on its part to be performed and observed. The Issuer may lawfully issue the Note in order to finance the Project.

Section 2.02 Authorization of Loan. The Issuer has duly authorized the borrowing of the amount provided for in this Agreement, the execution and delivery of this Agreement and the making and delivery of the Note to the Bank provided for in this Agreement and to that end the Issuer warrants that it will take all action and will do all things which it is authorized by law to

take and to do in order to fulfill all covenants on its part to be performed and to provide for and to assure payment of the Note. The Issuer has duly authorized the execution, delivery, and performance of the Note and this Agreement and the taking of any and all other such action as may be required on the part of the Issuer to carry out, give effect to and consummate the transactions contemplated by this Agreement. The Note has been duly authorized, executed, issued and delivered to the Bank and constitutes the legal, valid and binding obligation of the Issuer enforceable in accordance with its terms, and is entitled to the benefits and security of this Agreement. All approvals, consents, and orders of and filings with any governmental authority or agency which would constitute a condition precedent to the issuance of the Note or the execution and delivery of or the performance by the Issuer of its obligations under this Agreement or the Note have been obtained or made and any consents, approvals, and orders to be received or filings so made are in full force and effect.

Section 2.03 Agreements. The making and performing by the Issuer of this Agreement will not violate any provision of the Act, or any bond or note resolution of the Issuer, or any regulation, order or decree of any court, and will not result in a breach of any of the terms of any agreement or instrument to which the Issuer is a party or by which the Issuer is bound.

Section 2.04 Litigation, Etc. There are no actions or proceedings pending against the Issuer or affecting the Issuer or, to the knowledge of the Issuer, threatened, which, either in any case or in the aggregate, might result in any material adverse change in the financial condition of the Issuer, or which questions the validity of this Agreement or the Note or of any action taken or to be taken in connection with the transactions contemplated hereby or thereby. The Issuer is not in default in any material respect under any agreement or other instrument to which it is a party or by which it may be bound.

Section 2.05 General Financial Information.

(a) The financial information regarding the Issuer furnished to the Bank by the Issuer in connection with the Loan is complete and accurate, and there has been no material and adverse change in the financial condition of the Issuer from that presented in such information.

(b) The Issuer shall adopt an annual budget as required by law. The Issuer shall provide the Owner of the Note with a copy of its annual operating budget for each fiscal year not later than forty five (45) days after the commencement thereof. The budget shall specifically detail the Special Assessments and any other special assessments to be levied by the Issuer with respect to such fiscal year. The Issuer covenants that, so long as the Note shall remain unpaid, it will appropriate in its annual budget, by amendment, if required, amounts from Special Assessments sufficient to pay the principal of and interest on the Note when due, including amounts necessary to replenish any withdrawal from the Reserve Fund. In the event that the amount previously budgeted for such purpose is at any time insufficient to pay such principal of and interest on the Note, the Issuer covenants to take immediate action to amend its budget so as to budget and appropriate an amount sufficient to pay such debt service on the Note.

(c) The Issuer shall cause an audit to be completed of its books and accounts and shall furnish to the Owner within 210 days after the end of each fiscal year audited year-end

financial statements of the District certified by an independent certified public accountant selected pursuant to Florida law to the effect that such audit has been conducted in accordance with generally accepted accounting standards and stating whether such financial statements present fairly in all material respects the financial position of the District and the results of its operations and cash flows for the periods covered by such audit report, all in conformity with generally accepted accounting principles applied on a consistent basis. Such financial statements shall include a balance sheet and statement of revenues, expenditures and changes in fund balances, with comparative figures to the prior year and including a comparison of actual results to budgeted projections.

ARTICLE III

COVENANTS OF THE ISSUER

Section 3.01 Certain Affirmative Covenants. The Issuer covenants, for so long as the Note is outstanding and unpaid or any duty or obligation of the Issuer hereunder or under the Note remains unpaid or unperformed, as follows:

(a) The Issuer shall duly and punctually pay the principal of the Note and the interest thereon at the dates and place and in the manner provided herein and in the Note according to the true intent and meaning thereof.

(b) Proceeds from the Note will be used only to pay Costs of the Project.

(c) The Issuer shall within ten (10) days after it acquires knowledge thereof, notify the Bank in writing upon the happening, occurrence, or existence of any Event of Default, and any event or condition which with the passage of time or giving of notice, or both, would constitute an Event of Default, and shall provide the Bank with such written notice, a detailed statement by a responsible officer of the Issuer of all relevant facts and the action being taken or proposed to be taken by the Issuer with respect thereto.

(d) The Issuer will take all reasonable legal action within its control in order to maintain its existence as a community development district pursuant to the Act until all amounts due and owing from the Issuer to the Bank under the Note have been paid in full, and shall not voluntarily alter its boundaries or dissolve.

(e) The Issuer agrees that any and all records of the Issuer with respect to the Project and/or the Loan Documents shall be open to inspection by the Bank or its representatives at all reasonable times at the offices of the Issuer.

(f) In the event the Note or this Loan Agreement should be subject to the excise tax on documents, the Issuer shall pay such taxes or reimburse the bank for any such taxes paid by it.

Section 3.02 Certain Negative Covenants. The Issuer covenants, for so long as any of the principal amount of or interest on the Note is outstanding and unpaid or any obligations of the Issuer under any of the Loan Documents remain unpaid or unperformed, that:

(a) The Issuer shall not take any action impairing the authority thereby or hereby given with respect to the issuance and payment of the Note.

(b) The Issuer shall not pledge or encumber the Pledged Funds except pursuant to or as permitted by this Agreement.

(c) The Issuer shall not alter, amend or repeal the proceedings pursuant to which the Special Assessments are levied and collected, or any action impairing the authority thereby or hereby given with respect to the levy, collection and pledge of the Special Assessments or the payment of the Note, without the prior written approval of the Bank.

(d) The Issuer shall not loan money or make advances or other extensions of credit to other Persons.

Section 3.03. Bank Fees and Expenses. The Issuer hereby agrees to pay the fees and expenses of counsel to the Bank in connection with the issuance of the Note in the amount of \$12,000.00 said amount to be due and payable upon the issuance of the Note. In addition, the Issuer agrees to pay at closing the Bank's loan commitment fee of \$3,050.00 (1/2 of one percent of the Loan).

Section 3.04. Miscellaneous Covenants and Representations.

(a) The Issuer shall not dispose of any of its assets other than in the ordinary course of business.

(b) The Issuer shall promptly inform the Bank of any actual or potential contingent liabilities or pending or threatened litigation of any amount that could reasonably be expected to have a material and adverse effect upon the financial condition of the Issuer or which, if determined adversely to the Issuer would adversely affect the security for the payment of the Note.

(c) The Issuer shall maintain such liability, casualty and other insurance as is reasonable and prudent for similarly situated community development districts of the State and shall upon the request of the Bank, provide evidence of such coverage to the Bank.

(d) The Issuer is in compliance with and shall comply with all applicable federal, state and local laws and regulatory requirements.

(e) The Issuer shall not incur any other indebtedness payable from the Special Assessments, without the Bank's written consent, which consent may be withheld or conditioned in the Bank's sole discretion, regardless of whether such obligation or debt is superior to, on a parity with or subordinate to the Note. Notwithstanding the foregoing, the Issuer shall not be precluded from incurring indebtedness to finance projects that are necessary for health, safety or welfare reasons or to remediate a natural or man-made disaster.

(f) All improvements of the Issuer are and will be owned by the Issuer or by another political subdivision of the State and all such improvements shall be available for use by the general public on the same basis, subject only to conditions imposed by the Issuer or another political subdivision of the State as may be necessary to protect the health, safety and general welfare of the Issuer and its inhabitants, visitors, property owners and workers or to protect such improvements from damage, misuse or destruction. The Issuer shall observe and perform all of the terms and conditions of the Act, and shall comply with all valid acts, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to the improvements. The Issuer shall levy, in addition to the Special Assessments, assessments as shall be necessary to provide for the maintenance of the improvements.

(g) The Issuer will maintain the herein described Reserve Fund with the Bank.

(h) It is the intention of the Issuer and all parties under its control that the interest on the Note be and remain excluded from gross income for federal income tax purposes and to this end the Issuer hereby represents to and covenants with the Owner that it will comply with the requirements applicable to it contained in Section 103 and Part IV of Subchapter B of Chapter 1 of the Internal Revenue Code of 1986, as amended, to the extent necessary to preserve the exclusion of the interest on the Note issued hereunder from gross income for federal income tax purposes.

Section 3.05. Payment of Principal and Interest. The Issuer promises that it will promptly pay the principal of, interest on and any other amounts due under the Note at the place, on the dates and in the manner provided therein according to the true intent and meaning hereof and thereof, provided that the principal of, interest on and any other amounts due under the Note is payable from and secured solely by the Pledged Funds, and nothing in the Note or this Loan Agreement shall be construed as pledging any other funds or assets of the Issuer to such payment or as authorizing such payment to be made from any other source.

In order to secure the payment of the principal of and interest on the Note the Issuer in the Resolution has pledged and does hereby pledge and grant a lien on the Pledged Funds to the Owner.

Section 3.06. Business Days. In any case where the due date of interest on or principal of the Note is not a Business Day, then payment of such principal or interest may be made on the next preceding Business Day, but interest shall continue to accrue until payment is actually received by the Owner.

Section 3.07. Note Mutilated, Destroyed, Stolen or Lost. In case the Note shall become mutilated, or be destroyed, stolen or lost, the Issuer shall issue and deliver a new Note of like tenor as the Note so mutilated, destroyed, stolen or lost, in exchange and in substitution for such mutilated Note, or in lieu of and in substitution for the Note destroyed, stolen or lost and upon the Owner furnishing the Issuer proof of ownership thereof and indemnity reasonably satisfactory to the Issuer and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer may incur. The Note so surrendered shall be canceled.

Section 3.08. Special Assessments.

The Issuer will annually determine the amount of the Special Assessments necessary to pay the principal of and interest on the Note in accordance with the Act, and will separately identify such amount in its annual operating budget for each fiscal year.

The Issuer represent that it has levied the Special Assessments for the Issuer's fiscal year beginning October 1, 2016, and covenants that it will cause the Special Assessments to be levied and collected each year, commencing with the Issuer's fiscal year beginning October 1, 2017, pursuant to the method provided for in Section 197.3632 and 197.3635, Florida Statutes, in such amounts as shall produce an amount at least sufficient to pay the principal of and interest on the Note as the same becomes due and payable, in addition to all other expenses payable out of the Special Assessments, and including amounts sufficient to cover any shortfall in Special Assessments from prior fiscal years and any amount necessary to fully replenish the Reserve Fund. The Issuer represents to the Bank that the Issuer has taken all steps legally necessary to have been taken as of the date of issuance of the Note in order to impose the Special Assessments and the Issuer shall take all steps within its power as shall in the future be legally necessary to impose the Special Assessments in such amount. The Issuer covenants that if any of the Special Assessments shall be either in whole or in part annulled, vacated or set aside by the judgment of any court, or if the Issuer shall be satisfied that any such assessment is so irregular or defective that the same cannot be enforced or collected, or if the Issuer shall have omitted to make any such assessment when it might have done so, the Issuer covenants that it will take all necessary steps to cause new Special Assessments to be made in the manner provided by law and in any case any such second Special Assessment or an initial Special Assessment for one that shall have been omitted, shall either in whole or in part be annulled, vacated or set aside, or be unenforceable or uncollectible by reason of defect or irregularity, the Issuer shall obtain and make other Special Assessments until a valid Special Assessment shall be made.

Section 3.09. Special Assessment Records. The Issuer shall maintain records with respect to the Special Assessments which shall be updated as Special Assessments are collected. The records shall detail Special Assessments (i) levied to date on a parcel-by-parcel basis and (ii) collected to date. A report setting forth the foregoing information as of May 1 of each year will be provided to the Bank by May 31 of each year, and if there are any delinquent Special Assessments, the Issuer will provide the Bank with another report, by September 1 of such year, updating the information in said report. Also, commencing with the Issuer's fiscal year beginning October 1, 2017, the Issuer shall provide the Bank with a copy of the certified assessment roll detailing the Special Assessments to be imposed for such fiscal year, within thirty (30) days of the date such roll becomes available. Upon the occurrence of any Event of Default, the Issuer will, upon request of the Bank, engage the services of a consultant acceptable to the Bank to assist the Issuer in levying the Special Assessments until such time as the Event of Default is cured.

Section 3.10. Supervisors, Officers and Employees of the Issuer Exempt from Personal Liability. No recourse under or upon any obligation, covenant or agreement of this Agreement, the Resolution or the Note or for any claim based thereon or otherwise in respect thereof, shall be

had against any Supervisor, or any officer, consultant, agent or employee, as such, of the Issuer past, present or future, either directly or through the Issuer whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, it being expressly understood (a) that the obligation of the Issuer under this Agreement, the Resolution and the Note is solely a corporate one, (b) that no personal liability whatsoever shall attach to, or is or shall be incurred by, the Supervisors, or the officers, agents, consultants, or employees, as such, of the Issuer, or any of them, under or by reason of the obligations, covenants or agreements contained in this Agreement, the Resolution or the Note, or implied therefrom, and (c) that any and all such personal liability, either at common law or in equity or by constitution or statute, of, and any and all such rights and claims against, every such Supervisor, and every officer, agent, consultant, or employee, as such, of the Issuer under or by reason of the obligations, covenants or agreements contained in this Agreement, the Resolution or the Note, or implied therefrom, are waived and released as a condition of, and as a consideration for, the execution of this Agreement and the Resolution, and the issuance of the Note on the part of the Issuer.

ARTICLE IV

CONDITIONS OF LENDING

The obligations of the Bank to lend hereunder are subject to the following conditions precedent:

Section 4.01 Representations and Warranties. The representations and warranties set forth herein, in the Resolution and in the Note are and shall be true and correct on and as of the date hereof.

Section 4.02 No. Default. On the date hereof the Issuer is in compliance with all the terms and provisions set forth herein, in the Resolution and in the Note on its part to be observed or performed, and no Event of Default nor any event that, upon notice or lapse of time or both, would constitute such an Event of Default, shall have occurred and be continuing at such time.

Section 4.03 Supporting Documents. On or prior to the date hereof, the Bank shall have received the following supporting documents, all of which shall be satisfactory in form and substance to the Bank (such satisfaction to be evidenced by the purchase of the Note by the Bank):

(a) The opinion of Woodward, Pires & Lombardo, P.A., counsel to the Issuer, regarding the due authorization, execution, delivery, validity and enforceability of this Agreement and the Note, the due adoption of the Resolution and such other matters as may be required by the Bank;

(b) The opinion of Greenspoon Marder, P.A., counsel to the Bank, regarding, or to the effect that, (i) the interest on the Note is excluded from gross income for federal income tax purposes, and (ii) the Note is a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Code; and

- (c) Such additional supporting documents as the Bank may reasonably request.

ARTICLE V

THE LOAN; ISSUER'S OBLIGATION; DESCRIPTION AND PAYMENT TERMS; ADVANCES

Section 5.01 The Loan. The Bank hereby agrees to loan to the Issuer the amount of \$610,000.00 to be evidenced by the Note, to provide funds to pay the Costs of the Project, upon the terms and conditions set forth in this Agreement. The Issuer agrees to repay the principal amount borrowed plus interest thereon, upon the terms and conditions set forth herein and in the Note. The Loan shall close not later than October 31, 2016.

Section 5.02 Note Not to be Indebtedness of the Issuer or State. The Note, when delivered by the Issuer pursuant to the terms of this Agreement, shall not be or constitute a general obligation or indebtedness of the Issuer, or the State, or any political subdivision of the State, within the meaning of any Constitutional, statutory or other limitation of indebtedness, but shall be a special obligation payable solely as herein provided. No Noteholder shall ever have the right to compel the exercise of the ad valorem taxing power, if any, of the Issuer to pay the Note or the interest thereon or other amounts due thereunder or hereunder. Neither this Agreement nor the Note create a lien upon any facilities of the Issuer. Any agreements or representations herein or contained in the Note do not and shall never constitute or give rise to any personal or pecuniary liability or charge against the general credit of the Issuer, and in the event of a breach of any agreement, covenant, or representation, no personal or pecuniary liability or charge payable directly or indirectly from any revenues of the Issuer other than the Pledged Funds shall arise therefrom.

Section 5.03 Description and Payment Terms of the Note. To evidence the Loan, the Issuer shall issue and deliver to the Bank the Note in the form attached as Exhibit "A" hereto. The Note shall be issued in one (1) typewritten certificate, shall be dated the date of issuance thereof, shall be in the principal amount of \$610,000 and shall mature on the Maturity Date. The Note shall bear interest at a fixed rate of _____%, calculated on the basis of a 360 day year consisting of twelve (12) thirty (30) day months. Accrued interest on the Note shall be payable in arrears on May 1 and November 1 of each year, beginning May 1, 2017. Principal of the Note shall be payable on May 1 of each year, beginning May 1, 2017, in the amounts set forth in the form of Note attached hereto as Exhibit "A."

The Note shall be in registered form, contain substantially the same terms and conditions as set forth in Exhibit "A" hereto, shall be payable in lawful money of the United States of America, and the principal thereof, interest thereon and any other payments thereunder shall be payable by check, wire, draft or bank transfer to the Holder at such address as may be provided in writing by such Holder to the Secretary. So long as the Note shall remain outstanding, the Issuer shall maintain and keep books for the registration and transfer of the Note. The Note may be assigned as provided in the form of Note.

ARTICLE VI

FUNDS AND ACCOUNTS

Section 6.01. Revenue Fund. There is hereby created by the Issuer and ordered established a fund to be designated “River Ridge Community Development District Improvement Revenue Note, Series 2016, Special Assessment Revenue Fund.” The Issuer shall deposit all Special Assessments into the Revenue Fund immediately upon receipt until the amount therein is sufficient to pay the principal of and interest on the Note for the next succeeding May 1 and November 1. The Issuer shall pay to the Bank from the Revenue Fund on each date when principal or interest on the Note is due, the amount (including, if applicable, any redemption premium) due on the Note on such date. So long as the Bank is the Holder of the Note, payments from the Revenue Fund will be set up on an “auto-debit basis,” which will automatically transfer to the Bank the interest and principal payments on the Note when due. The amount on deposit in the Revenue Fund shall always be at least equal to the principal and interest due on the Note through the end of the then current calendar year.

Section 6.02. Reserve Fund. There is hereby created by the Issuer and ordered established a fund to be designated “River Ridge Community Development District Improvement Revenue Note, Series 2016, Reserve Fund.” The Issuer shall deposit \$10,000 into the Reserve Fund from the proceeds of the Note. If, on any date on which the principal of or interest on the Note is due, the Issuer does not pay the full amount due, whether from the Revenue Fund or otherwise, the Bank may withdraw from the Reserve Fund the amount of such shortfall and apply it to such payment. The Issuer shall replace any withdrawal from the Reserve Fund as soon as possible, and, if necessary, shall levy the Special Assessments in such additional amount as may be necessary to do so.

Section 6.03. Treatment of Funds. The designation and establishment of the Funds hereunder shall not be construed to require the establishment of any completely independent, self-balancing fund as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain moneys for certain purposes and to establish certain priorities for the application of such moneys as herein provided. The money required to be accounted for in the Funds created hereunder may be commingled with other moneys of the Issuer in a single bank account, and may be invested along with other moneys of the Issuer in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the moneys on deposit in each such Fund.

Section 6.04. Investments. Moneys in the Funds created hereunder shall be held in depository accounts with one or more “authorized depositories,” and invested pursuant to written instructions of the Issuer, in investments in which the Issuer is permitted to invest under applicable law. All such investments shall be made so as to insure that the investments mature or otherwise come due no later than one (1) Business Day prior to the date on which the moneys are needed for payment of debt service on the Note. All interest income derived from the investment of amounts on deposit in the Funds created hereunder shall be retained in such Fund. Provided,

that so long as the Bank is the Owner of the Note, the Reserve Fund shall be maintained at the Bank.

ARTICLE VII

EVENTS OF DEFAULT

Section 7.01 General. An “Event of Default” shall be deemed to have occurred under this Agreement if:

(a) The Issuer shall fail to make any payment of the principal of or interest on the Loan when the same shall become due and payable, whether by maturity, by acceleration at the discretion of the Bank as provided for in Section 7.02, or otherwise; or

(b) The Issuer shall default in the performance of or compliance with any term or covenant contained herein or in the Note, other than a term or covenant a default in the performance of which or noncompliance with which is elsewhere specifically dealt with, which default or non-compliance shall continue and not be cured within thirty (30) days after (i) notice thereof to the Issuer by the Bank; or (ii) the Bank is notified of such noncompliance or should have been so notified pursuant to the provisions of Section 3.01 (c) of this Agreement, whichever is earlier; or

(c) Any representation or warranty made in writing by or on behalf of the Issuer herein or in the Note shall prove to have been false or incorrect in any material respect on the date made or reaffirmed; or

(d) The Issuer 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 creditors or consents to the appointment of a receiver or trustee for itself; or

(e) The Issuer is adjudged insolvent by a court of competent jurisdiction, or is adjudged a bankrupt on a petition for bankruptcy filed by or against the Issuer, or an order, judgment or decree is entered by any court of competent jurisdiction appointing, without the consent of the Issuer, a receiver or trustee for the Issuer or for the whole or any part of its property, and if the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within ninety (90) days from the date of entry thereof;

(f) The Issuer 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 the State;

(g) The Issuer shall default in the due and punctual payment or performance of covenants under any obligation for the payment of money to the Bank or any subsidiary or affiliate of the Bank; or

(h) A judgment or order shall be rendered against the Issuer for the payment of money in excess of \$250,000 and such judgment or order shall continue unsatisfied or unstayed for a period of more than 30 days.

Section 7.02 Remedies in an Event of Default. Upon the occurrence of any Event of Default, the Bank may immediately and without notice declare all amounts due under the Note to be immediately due and payable without further action of any kind and upon such declaration the Note and the interest accrued thereon shall become immediately due and payable. In addition, in such event the Owner of the Note may, in addition to any other remedies set forth in this Agreement or the Note, either at law or in equity, by suit, action, mandamus or other proceeding in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State, or granted or contained in this Agreement and may enforce and compel the performance of all duties required by this Agreement or by any applicable statutes to be performed by the Issuer or by any officer thereof.

ARTICLE VIII

MISCELLANEOUS

Section 8.01 No Waiver, Cumulative Remedies. No failure or delay on the part of the Bank in exercising any right, power, remedy hereunder or under the Note shall operate as a waiver of the Bank's rights, powers and remedies hereunder, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof, or the exercise of any other right, power or remedy hereunder or thereunder. The remedies herein and therein provided are cumulative and not exclusive of any remedies provided by law or in equity.

Section 8.02 Amendments, Changes or Modifications to the Agreement. This Agreement shall not be amended, changed or modified without the prior written consent of the Noteholder and the Issuer. The Issuer agrees to pay all of the Bank's costs and reasonable attorneys' fees incurred in modifying and/or amending this Agreement at the Issuer's request.

Section 8.03 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 8.04 Severability. If any clause, provision or section of this Agreement shall be held illegal or invalid by any court, the invalidity of such clause, provision or section shall not affect any other provisions or sections hereof, and this Agreement shall be construed and enforced to the end that the transactions contemplated hereby be effected and the obligations contemplated hereby be enforced, as if such illegal or invalid clause, provision or section had not been contained herein.

Section 8.05 Term of Agreement. Except as otherwise specified in this Agreement, this Agreement and all representations, warranties, covenants and agreements contained herein or made in writing by the Issuer in connection herewith shall be in full force and effect from the date hereof and shall continue in effect until as long as the Note is outstanding.

Section 8.06 Notices. All notices, requests, demands and other communications which are required or may be given under this Agreement shall be in writing and shall be deemed to have been duly given when received if personally delivered; the day after it is sent, if sent by overnight common carrier service; and five days after it is sent, if mailed, certified mail, return receipt requested, postage prepaid. In each case notice shall be sent to:

If to the Issuer: River Ridge Community Development District
c/ o District Manager
Wrathell , Hunt & Associates
9220 Bonita Beach Rd., #214
Bonita Springs, FL 34135

If to the Bank: Florida Community Bank, N.A.
2325 Vanderbilt Beach Road
Naples, FL 34109
Attention: Jim Mitchell, Senior Vice President

or to such other address as either party may have specified in writing to the other using the procedures specified above in this Section 8.07.

Section 8.07 Applicable Law. This Agreement shall be construed pursuant to and governed by the substantive laws of the State, with venue in any judicial proceeding in Lee County, Florida.

Section 8.08 Binding Effect; Assignment; Notice of Assignment This Agreement shall be binding upon and inure to the benefit of the successors in interest and permitted assigns of the parties. The Issuer shall have no rights to assign any of its rights or obligations hereunder without the prior written consent of the Bank, which consent may be withheld or conditioned in the Bank's sole discretion

Section 8.09 No Third Party Beneficiaries. It is the intent and agreement of the parties hereto that this Agreement is solely for the benefit of the parties hereto and no person not a party hereto shall have any rights or privileges hereunder.

Section 8.10 Attorneys Fees. To the extent legally permissible, the Issuer and the Bank agree that in any suit, action or proceeding brought in connection with this Agreement, the Note, or the Resolution (including any appeal(s)), the prevailing party shall be entitled to recover costs and reasonable attorneys' fees from the other party.

Section 8.11 Entire Agreement. Except as otherwise expressly provided, the Resolution, this Agreement and the Note embody the entire agreement and understanding between the parties

hereto and supersede all prior agreements and understandings relating to the subject matter hereof.

Section 8.12 Further Assurances. The parties to this Agreement will execute and deliver, or cause to be executed and delivered, such additional or further documents, agreements or instruments and shall cooperate with one another in all respects for the purpose of the transactions contemplated by this Agreement.

Section 8.13 Waiver of Jury Trial. THE BANK AND THE ISSUER 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 THIS AGREEMENT, THE RESOLUTION, 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.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective between them as of the date of first set forth above.

RIVER RIDGE COMMUNITY
DEVELOPMENT DISTRICT

By: _____
Terry Mountford
Chair, Board of Supervisors

Attest:

By: _____
Secretary, Board of Supervisors

FLORIDA COMMUNITY BANK, N.A.

By: _____
Jim Mitchell, Senior Vice President

EXHIBIT A

Form of Note

REGISTERED

REGISTERED

No. R- 1

\$610,000

UNITED STATES OF AMERICA
STATE OF FLORIDA
RIVER RIDGE ISLES COMMUNITY DEVELOPMENT DISTRICT
IMPROVEMENT REVENUE NOTE, SERIES 2016

Interest Rate:

Maturity Date:

Dated Date:

____%

May 1, 2021

October 26, 2016

REGISTERED OWNER:

FLORIDA COMMUNITY BANK, N.A.

PRINCIPAL AMOUNT:

SIX HUNDRED TEN THOUSAND AND 00/100
DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that the River Ridge Community Development District, an independent special district created pursuant to Chapter 190, Florida Statutes (hereinafter called the "Issuer") for value received, hereby promises to pay to the Registered Owner identified above, or to registered assigns or legal representatives (hereinafter the "Owner"), but solely from the revenues hereinafter mentioned, on the dates hereinafter provided, the Principal Amount identified above, and to pay, solely from such revenues, interest on the Principal Amount remaining unpaid from time to time, at the interest rate per annum set forth herein (the "Note Rate") (subject to adjustment as hereinafter provided), calculated on the basis of a 360 day year consisting of twelve (12) thirty (30) day months, until the entire Principal Amount has been repaid. Principal of and interest on this Note will be paid by bank wire, check, draft or bank transfer delivered to the Registered Owner hereof at such address as may be provided in writing by the Registered Owner to the Issuer no later than the close of business on the tenth calendar day next preceding each Payment Date, as defined herein (the "Record Date").

If a payment is 10 days or more late, the Issuer will be charged 5.00% of the regularly scheduled payment.

Interest on this Note shall be payable in arrears in nine (9) semi-annual installments on May 1 and November 1 of each year, beginning May 1, 2017. Principal will be payable on May 1 of each year, in accordance with the following schedule.

<u>Date</u>	<u>Principal Amount Due</u>
May 1, 2017	
May 1, 2018	
May 1, 2019	
May 1, 2020	
May 1, 2021	

All payments by the Issuer pursuant to this Note shall apply first to accrued interest, then to other charges due to the Owner, and the balance thereof shall apply to the principal sum due.

Each date when principal and/or interest on this Note is due is a "Payment Date." If any Payment Date is not a Business Day, the payment otherwise due on such Payment Date shall be due on next succeeding Business Day, but interest shall continue to accrue until payment is actually received by the Owner.

Any payment of principal hereof or interest hereon not paid when due shall bear interest from the due date until paid at the maximum rate permitted by law.

If for any reason the interest on this Note becomes includable in the gross income of the holder of this Note for Federal income tax purposes (an "Event of Taxability"), this Note shall bear interest from the earliest effective date of such Event of Taxability at a rate per annum equal to ____%. In addition to the foregoing, the Issuer shall pay any additions to tax, penalties and interest, and any arrears in interest imposed upon the holder of this Note on account of an Event of Taxability. All such additional interest, additions to tax and penalties shall be paid within 90 days of the date the holder was advised of such Event of Taxability.

No Event of Taxability shall be deemed to occur unless the Issuer has been given timely written notice of such occurrence by the holder of this Note and, to the extent permitted by law, an opportunity to participate in and seek, at the Issuer's own expense, a final administrative determination by the Internal Revenue Service or determination by a court of competent jurisdiction (from which no further right of appeal exists) as to the occurrence of such Event of Taxability; provided that the Issuer, at its own expense, delivers to the holder of this Note an opinion of bond counsel acceptable to such holder to the effect that such appeal or action for judicial or administrative review is not without merit and there is a reasonable possibility that the judgment, order, ruling or decision from which such appeal or action for judicial or administrative review is taken will be reversed, vacated or otherwise set aside.

Notwithstanding the foregoing, in no event shall the interest rate payable on this Note exceed the maximum rate permitted by law.

This Note shall be subject to redemption in whole or in part on any date at the option of the Issuer, at a redemption price equal to the principal amount thereof to be redeemed plus accrued interest thereon. In the event of a partial redemption, Owner shall prepare a new principal repayment schedule that will proportionately reduce future debt service payments based on the lesser principal amount outstanding as a result of such partial redemption.

Upon the occurrence of an Event of Default (as defined in the hereinafter described Agreement), the Owner may declare the entire debt then remaining unpaid hereunder immediately due and payable; and in any such default and acceleration, the Issuer shall also be obligated to pay (but only from the Pledged Funds) as part of the indebtedness evidenced by this Note, all costs of collection and enforcement hereof, including such fees as may be incurred on appeal or incurred in any proceeding under bankruptcy laws as they now or hereafter exist,

including specifically but without limitation, claims, disputes and proceedings seeking adequate protection or relief from automatic stay under federal bankruptcy law.

The Issuer, to the extent permitted by law, hereby waives presentment, demand, protest and notice of dishonor.

THIS NOTE AND THE INTEREST HEREON DOES NOT AND SHALL NOT CONSTITUTE A GENERAL INDEBTEDNESS OF THE ISSUER WITHIN THE MEANING OF ANY CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION BUT SHALL BE PAYABLE FROM AND SECURED SOLELY BY THE MONEYS AND SOURCES PLEDGED THEREFOR. NEITHER THE FAITH AND CREDIT NOR ANY AD VALOREM TAXING POWER OF THE ISSUER, LEE COUNTY, FLORIDA, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THIS NOTE OR OTHER COSTS INCIDENTAL HERETO.

This Note is issued pursuant to the Act (as defined in the Agreement), Resolution 2017-1 duly adopted by the Issuer on October 25, 2016 (the "Resolution") and a Loan Agreement between the Issuer and the Registered Owner dated the date hereof (the "Agreement") and is subject to all the terms and conditions of the Agreement. All terms, conditions, and provisions of the Agreement are by this reference thereto incorporated herein as a part of this Note. This Note represents the entire authorized issue of obligations of the Issuer pursuant to the Agreement. Terms used herein in capitalized form and not otherwise defined herein shall have the meanings ascribed thereto in the Agreement. This Note is payable solely from and is secured by a lien upon and pledge of the "Pledged Funds" as described in the Agreement. Notwithstanding any other provision of this Note, the Issuer is not and shall not be liable for the payment of the principal of and interest on this Note or otherwise monetarily liable in connection herewith from any property other than the Pledged Funds. Except as provided in the Agreement, no Owner of this Note shall have any right to resort to legal or equitable action to require or compel the Issuer to levy and collect any tax or to keep any tax in force, or to use any tax, if levied and collected, to pay principal, interest or premium on this Note.

This Note shall be and have all the qualities and incidents of negotiable instruments under the law merchant and the Uniform Commercial Code of the State of Florida, subject to the provisions for registration of transfer contained herein and in the Agreement.

This Note may be assigned by the owner of this Note, or any assignee or successor-in-interest thereto. Such assignment shall only be effective, and the Issuer obligated to pay such assignee, upon delivery to the Secretary at the notice address set forth in the Agreement (or such future address as may serve as the address of the Issuer) of a written instrument or instruments of assignment in the form provided herein, duly executed by the owner of this Note or by his attorney-in-fact or legal representative and notarized, containing written instructions as to the details of assignment of this Note, along with the social security number or federal employer identification number of such assignee. In all cases of an assignment of this Note the Issuer shall at the earliest practical time in accordance with the provisions of the Agreement enter the change of ownership in the registration books; provided, however, the written notice of assignment must

be received by the Secretary no later than the close of business on the Record Date in order to carry the right to receive the interest and principal payment due on the next succeeding Payment Date. The Issuer may conclusively rely on the authenticity of any Form of Assignment delivered to it in accordance with this paragraph and accompanied by the original of the Note to which it relates. The Issuer may charge the registered owner of the Note for the registration of every such assignment of the Note an amount sufficient to reimburse it for any tax, fee or any other governmental charge required to be paid, except for any such governmental charge imposed by the Issuer, with respect to the registration of such assignment, and may require that such amounts be paid before any such assignment of the Note shall be effective.

THE REGISTERED OWNER, BY ITS ACCEPTANCE OF THIS NOTE, AND THE ISSUER, BY ITS ACCEPTANCE OF THE PROCEEDS OF THE NOTE, 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 THIS NOTE, THE RESOLUTION OR THE AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OR DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF EITHER PARTY.

It is hereby certified, recited and declared that all acts, conditions and prerequisites required to exist, happen and be performed precedent to and in the execution, delivery and the issuance of this Note do exist, have happened and have been performed in due time, form and manner as required by law, and that the issuance of this Note is in full compliance with and does not exceed or violated any constitutional or statutory limitation.

IN WITNESS WHEREOF, River Ridge Community Development District has caused this Note to be executed in its name by the manual signature of its Chair and attested by the manual signature of its Secretary, and its seal to be impressed hereon, all this 26th day of October, 2016.

RIVER RIDGE COMMUNITY
DEVELOPMENT DISTRICT

(SEAL)

By: _____
Chair, Board of Supervisors

Attest:

Secretary, Board of Supervisors

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____ the within Note and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Note in the books kept by the Issuer for the registration thereof, with full power of substitution in the premises.

Dated: _____

SOCIAL SECURITY NUMBER OR
FEDERAL IDENTIFICATION NUMBER
OF ASSIGNEE _____

NOTICE: The signature of this assignment must correspond with the name as it appears upon the within Note in every particular, without enlargement or alteration or any change whatever.

[Form of Abbreviations]

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

- TEN COM - as tenants in common
- TEN ENT - as tenants by the entireties
- JT TEN - as joint tenants with the right of survivorship and not as tenants in common
- UNIFORM TRANS MIN ACT - _____ Custodian for _____ (Cust.) (Minor) under Uniform Transfers to Minors Act of _____ .
(State)

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

**RIVER RIDGE
COMMUNITY DEVELOPMENT DISTRICT
FINANCIAL STATEMENTS
UNAUDITED
SEPTEMBER 30, 2016**

**RIVER RIDGE
COMMUNITY DEVELOPMENT DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2016**

	<u>Balance</u>
ASSETS	
Cash	\$287,641
Total assets	<u>\$287,641</u>
LIABILITIES	
Accounts payable	<u>\$ 1,098</u>
Total liabilities	<u>1,098</u>
FUND BALANCE	
Unassigned	<u>286,543</u>
Total fund balance	<u>286,543</u>
Total liabilities and fund balance	<u>\$287,641</u>

**RIVER RIDGE
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - GENERAL FUND
FOR THE PERIOD ENDED SEPTEMBER 30, 2016**

	Current Month	Year to Date	Budget	% of Budget
REVENUES				
Assessment levy	\$ -	\$ 546,444	\$ 544,367	100%
Miscellaneous: Pelican Sound	-	-	500	0%
Interest & miscellaneous	11	155	750	21%
Total revenues	<u>11</u>	<u>546,599</u>	<u>545,617</u>	100%
EXPENDITURES				
Administrative				
Supervisors	-	10,119	10,918	93%
Management/accounting	4,284	51,408	51,408	100%
Audit	-	4,544	7,100	64%
Special assessment preparation	-	6,500	6,500	100%
Legal	1,902	11,004	10,000	110%
Engineering	2,992	25,072	10,000	251%
NPDES reporting filing	625	13,060	15,000	87%
Telephone	33	400	400	100%
Postage	104	980	750	131%
Insurance	-	6,753	6,986	97%
Printing & binding	63	750	750	100%
Legal advertising	516	1,436	1,000	144%
Contingencies	62	2,259	3,000	75%
Subscriptions & memberships	-	175	175	100%
Website maintenance	-	600	500	120%
Property taxes	-	7	-	N/A
Total administrative	<u>10,581</u>	<u>135,067</u>	<u>124,487</u>	108%
Field services				
Other contractual - field management				
Q & A	217	2,601	2,601	100%
Contingencies	-	-	1,000	0%
Other contractual	3,501	30,570	38,000	80%
Street lighting	550	3,261	3,000	109%
Plant replacement	-	2,766	2,500	111%
Street sweeping	-	-	10,000	0%
Roadway repairs	15,563	16,984	5,000	340%
Capital outlay-lake bank erosion repairs	-	6,270	-	N/A
Aquascaping	13,239	20,312	25,000	81%
Total field services	<u>33,070</u>	<u>82,764</u>	<u>87,101</u>	95%

**RIVER RIDGE
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - GENERAL FUND
FOR THE PERIOD ENDED SEPTEMBER 30, 2016**

	<u>Current Month</u>	<u>Year to Date</u>	<u>Budget</u>	<u>% of Budget</u>
Other fees and charges				
Property appraiser	-	1,571	1,725	91%
Tax collector	-	2,199	2,588	85%
Total other fees and charges	-	3,770	4,313	87%
Subtotal expenditures: general	43,651	221,601	215,901	103%
Pelican Sound program (lake & wetland maintenance)				
Professional services				
Audit	-	2,556	4,000	64%
Legal	-	-	2,000	0%
Engineering	-	-	2,000	0%
Total professional services	-	2,556	8,000	32%
Field services				
Other contractual				
Field management	417	5,000	5,000	100%
Lake/wetland	3,200	68,291	58,000	118%
Capital outlay - reimbursement to PSGRC	-	56,283	56,216	100%
Roadway resurfacing	-	49,061	200,000	25%
Contingencies	-	750	2,500	30%
Total field services	3,617	179,385	321,716	56%
Subtotal expenditures: Pelican Sound	3,617	181,941	329,716	55%
Total expenditures	47,268	403,542	545,617	74%
Net change in fund balances	(47,257)	143,057	-	
Fund balances - beginning				
Committed				
Pelican Sound program	184,121	31,471	35,914	
Unassigned	149,679	112,015	150,138	
Fund balances - ending				
Committed				
Pelican Sound program	180,504	180,504	35,914	
Unassigned	106,039	106,039	150,138	
Fund balances - ending	<u>\$ 286,543</u>	<u>\$ 286,543</u>	<u>\$ 186,052</u>	

**RIVER RIDGE
COMMUNITY DEVELOPMENT DISTRICT
CHECK REGISTER
SEPTEMBER 30, 2016**

River Ridge Community Development District
Check Register
September 2016

Num	Date	Name	Account	Paid Amount	Original Amount
5274	09/02/2016	FEDEX	151.002 - Suntrust Operating Account		-97.68
5-515-11028	08/26/2016		519.410 · Postage	-5.77	5.77
5-521-80144	08/30/2016		519.410 · Postage	-91.91	91.91
TOTAL				-97.68	97.68
5275	09/02/2016	HOLE, MONTES, INC.	151.002 - Suntrust Operating Account		-2,646.92
74485	08/26/2016		519.320 · Engineering	-2,646.92	2,646.92
TOTAL				-2,646.92	2,646.92
5276	09/02/2016	LAKE & WETLAND MANAGEMENT	151.002 - Suntrust Operating Account		-4,660.16
3104	08/17/2016		539.021 · Lake/Wetland	-4,660.16	4,660.16
TOTAL				-4,660.16	4,660.16
5277	09/02/2016	WRATHELL, HUNT AND ASSOCIATES, LLC	151.002 - Suntrust Operating Account		-5,013.25
2006-9743	09/01/2016		513.311 · Management	-4,284.00	4,284.00
			519.411 · Telephone	-33.33	33.33
			519.470 · Printing and Binding	-62.50	62.50
			539.020 · Field Management	-416.67	416.67
			538.336 · Q & A	-216.75	216.75
TOTAL				-5,013.25	5,013.25
5278	09/16/2016	F P L	151.002 - Suntrust Operating Account		-275.61
55697-04520 0829...	09/08/2016		538.431 · Street Lighting	-275.61	275.61
TOTAL				-275.61	275.61
5279	09/16/2016	FEDEX	151.002 - Suntrust Operating Account		-16.16
5-529-25143	09/08/2016		519.410 · Postage	-5.89	5.89
5-537-23223	09/14/2016		519.410 · Postage	-10.27	10.27
TOTAL				-16.16	16.16
5280	09/16/2016	HOLE, MONTES, INC.	151.002 - Suntrust Operating Account		-2,991.66

River Ridge Community Development District
Check Register
September 2016

Num	Date	Name	Account	Paid Amount	Original Amount
74548	09/14/2016		519.320 · Engineering	-2,991.66	2,991.66
TOTAL				-2,991.66	2,991.66
5281	09/16/2016	JOHNSON ENGINEERING, INC.	151.002 · Suntrust Operating Account		-625.00
20044471-014 8	09/14/2016		538.300 · NPDES Program	-625.00	625.00
TOTAL				-625.00	625.00
5282	09/16/2016	LAKE MASTERS AQUATIC WEED CONTROL, I...	151.002 · Suntrust Operating Account		-2,050.00
16-06685	09/08/2016		539.021 · Lake/Wetland	-1,100.00	1,100.00
16-06711	09/08/2016		539.021 · Lake/Wetland	-950.00	950.00
TOTAL				-2,050.00	2,050.00
5283	09/16/2016	NEWS PRESS	151.002 · Suntrust Operating Account		-516.08
0000161810	09/14/2016		519.480 · Legal Advertising	-516.08	516.08
TOTAL				-516.08	516.08
5284	09/16/2016	WOODWARD, PIRES AND LOMBARDO. P.A.	151.002 · Suntrust Operating Account		-1,165.50
238	09/14/2016		514.310 · Legal Fees	-1,165.50	1,165.50
TOTAL				-1,165.50	1,165.50
5285	09/30/2016	EARTHBALANCE	151.002 · Suntrust Operating Account		-13,239.52
40314	09/26/2016		538.461 · Aquascaping	-3,484.00	3,484.00
40315	09/26/2016		538.461 · Aquascaping	-9,755.52	9,755.52
TOTAL				-13,239.52	13,239.52
5286	09/30/2016	GIRARD ENVIRONMENTAL SERVICES, INC.	151.002 · Suntrust Operating Account		-3,503.00
163397	09/26/2016		538.340 · Other Contractual Services	-2,159.00	2,159.00
160017	09/26/2016		538.340 · Other Contractual Services	-1,344.00	1,344.00
TOTAL				-3,503.00	3,503.00
5287	09/30/2016	LAKE MASTERS AQUATIC WEED CONTROL, I...	151.002 · Suntrust Operating Account		-1,150.00

River Ridge Community Development District
Check Register
September 2016

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Paid Amount</u>	<u>Original Amount</u>
16-07504	09/26/2016		539.021 · Lake/Wetland	-1,150.00	1,150.00
TOTAL				-1,150.00	1,150.00
5288	09/30/2016	SOUTHERN STRIPING SOLUTIONS, LLC.	151.002 - Suntrust Operating Account		-15,562.98
3397	09/28/2016		539.465 · Roadway Resurfacing	-15,562.98	15,562.98
TOTAL				-15,562.98	15,562.98