

WEST VILLAGES IMPROVEMENT DISTRICT
C/O Special District Services, Inc.
2501A Burns Road
Palm Beach Gardens, FL 33410

July 17, 2017

Via Electronic Mail

Victor Dobrin
dobrinvictor@gmail.com

***Re: Response to Request for Information on Unit of Development No. 3
Refinancing Efforts***

Dear Mr. Dobrin,

My firm serves as District Manager to the West Villages Improvement District (the "District"), a local unit of special-purpose government created pursuant to Chapter 2004-456, *Laws of Florida*, as amended (the "Enabling Legislation"). The District exists for the purpose of financing, constructing, acquiring, operating, and/or maintaining public infrastructure improvements. The District is in receipt of your e-mail correspondence dated July 12, 2017, a copy of which is attached to this email. The District appreciates your interest in its proposed refinancing of its existing Unit of Development No. 3 Special Assessment Bonds, Series 2006 (hereinafter, the "Unit 3 Refinancing Bonds").

In response to your inquiry, you are correct that Section 14(4) of the Enabling Legislation contemplates a referendum vote when the District amends a plan of improvement for units of development in which real property has been sold to the general public and which results in an increase in the amount of principal amount of debt authorized for such unit. However, this provision of the Enabling Legislation is not implicated relative to the District's issuance of the Unit 3 Refinancing Bonds for the reasons discussed herein. Accordingly, while a public hearing will be held during the District's Board of Supervisors ("Board") meeting on August 10, 2017 where the Board will hear comments and objections on its proposed issuance of the Unit 3 Refinancing Bonds, a referendum will not be held by the District.

By way of background, in conjunction with the issuance of the District's Series 2006 Bonds, the District adopted its *Unit of Development No. 3 Plan of Improvements*, dated November 1, 2005, which was revised on June 20, 2014 when Lennar Homes purchased the Gran Paradiso community. The revised plan outlines the infrastructure improvements financed by the issuance of the Series 2006 Bonds (the "2006 Project"). The 2006 Project is determined to be complete in that all proceeds of the Series 2006 Bonds have been expended to fund the cost of the construction and/or acquisition of the 2006 Project, and no further infrastructure contemplated in the 2006 Project remains to be constructed by the District. A copy of this report is enclosed with this letter for your reference.

The District is contemplating the refinancing of the Series 2006 Bonds through the issuance of the Unit 3 Refinancing Bonds in the amount of \$16,550,000 to take advantage of interest rate savings. The Unit 3 Refinancing Bonds are anticipated to be issued on August 24, 2017 and will have a maturity of May 1, 2037, which is the same term as the Series 2006 Bonds. The Unit 3

Refinancing Bonds are callable at par after May 1, 2027 with no penalty. The average coupon of the Unit 3 Refinancing Bonds is 4.66%.

As stated in the letter that you received earlier this week, the anticipated effect of the refunding of the Series 2006 Bonds will result in an increased par amount of debt outstanding relative to your property. **However, due to the reduced interest rate associated with the Unit 3 Refinancing Bonds, the annual payment of debt assessments will remain the same.** A comparison of the amounts owed through maturity of each series of bonds per product type is attached hereto as **Exhibit A**.

The District desires to utilize the proceeds generated from the issuance of the Unit 3 Refunding Bonds to finance the construction of newly-contemplated infrastructure project which is set forth in more detail in the *Plan of Improvements for Unit 3 Refinancing*, dated June 29, 2017 (the "2017 Project"). A copy of this report, which details the scope of planned improvements, is also enclosed with this letter for your reference. The 2017 Project is separate and apart from the 2006 Project and includes infrastructure not contemplated by the 2006 Project. Moreover, the source of financing for the 2017 Project is completely different than the financing source for the 2006 Project. The only similarity between the two projects is that both projects benefit the properties located within Unit No. 3.

A list of the infrastructure that the Districts owns and/or maintains is enclosed with this letter as **Exhibit B**. A graphical depiction of Units 1 through 4 is also enclosed herein as **Exhibit C** per your request.

The District appreciates the interest you have shown in its proposed issuance of the Unit 3 Refinancing Bonds. Should you have any additional questions please do not hesitate to reach me at 877-737-4922

Regards,

Todd Wodraska
Todd Wodraska
District Manager

cc: Marty Black, Chairman
Jonathan Johnson, District Counsel

Enclosures

Exhibit A

Commented [A1]: SDS- please calculate amount of principal + interest on each series of bonds through final maturity (i.e. payoff amounts).

Product Type	Series 2006 Payoff Amount*	Series 2006 Maximum Annual Assessment per Unit	Series 2017 Payoff Amount*	Series 2017 Maximum Annual Assessment per Unit
35'	\$6,077	\$490	\$6,814	\$490
Town	\$6,077	\$490	\$6,814	\$490
Coach	\$7,317	\$590	\$8,204	\$590
45'	\$7,317	\$590	\$8,204	\$590
52'	\$8,557	\$690	\$9,595	\$690
62'	\$9,797	\$790	\$10,986	\$790
65'	\$9,797	\$790	\$10,986	\$790
70'	\$9,797	\$790	\$10,986	\$790
75'	\$11,037	\$890	\$12,376	\$890
80'	\$11,037	\$890	\$12,376	\$890

*Payoff amounts include principal and interest through maturity on each series of bonds

Exhibit B

Water Management & Environmental System

Roadways

Gateway Entry Feature

Landscape & Lighting

*Note: Gran Paradiso Property Owner's Association has high level Maintenance Agreement with WVID

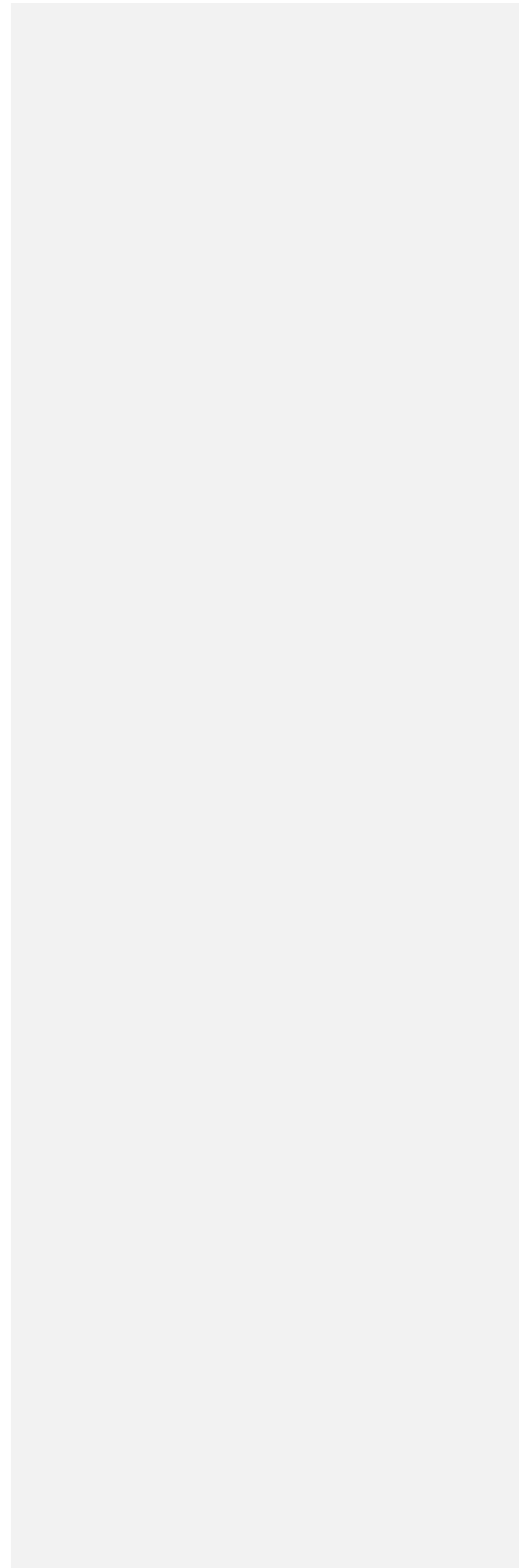





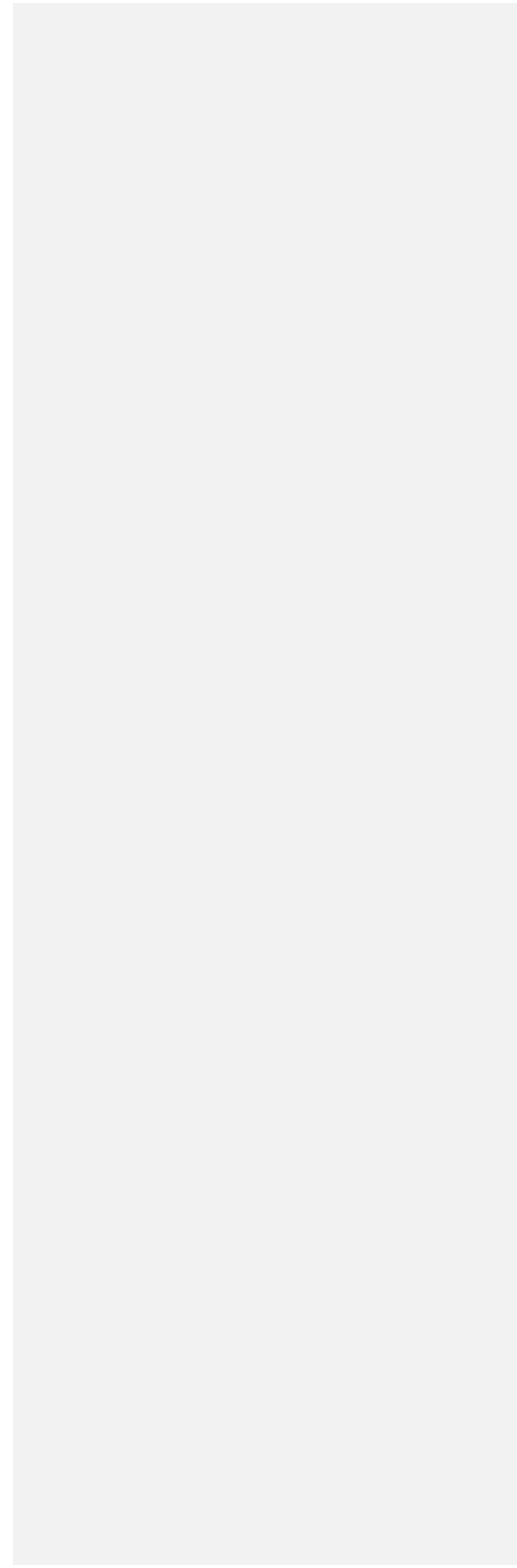
Exhibit C

Unit No. 1



Legend

- COUNTY BOUNDARIES
-  NORTH PORT CITY LIMITS
-  WEST VILLAGES IMPROVEMENT DISTRICT
-  UNIT 1 BOUNDARY



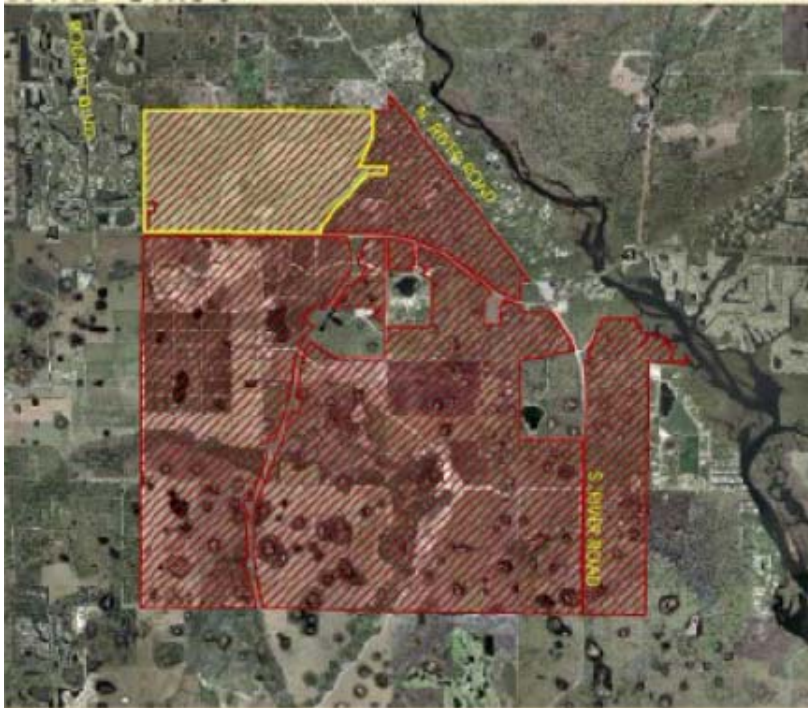
Unit No. 2



Legend

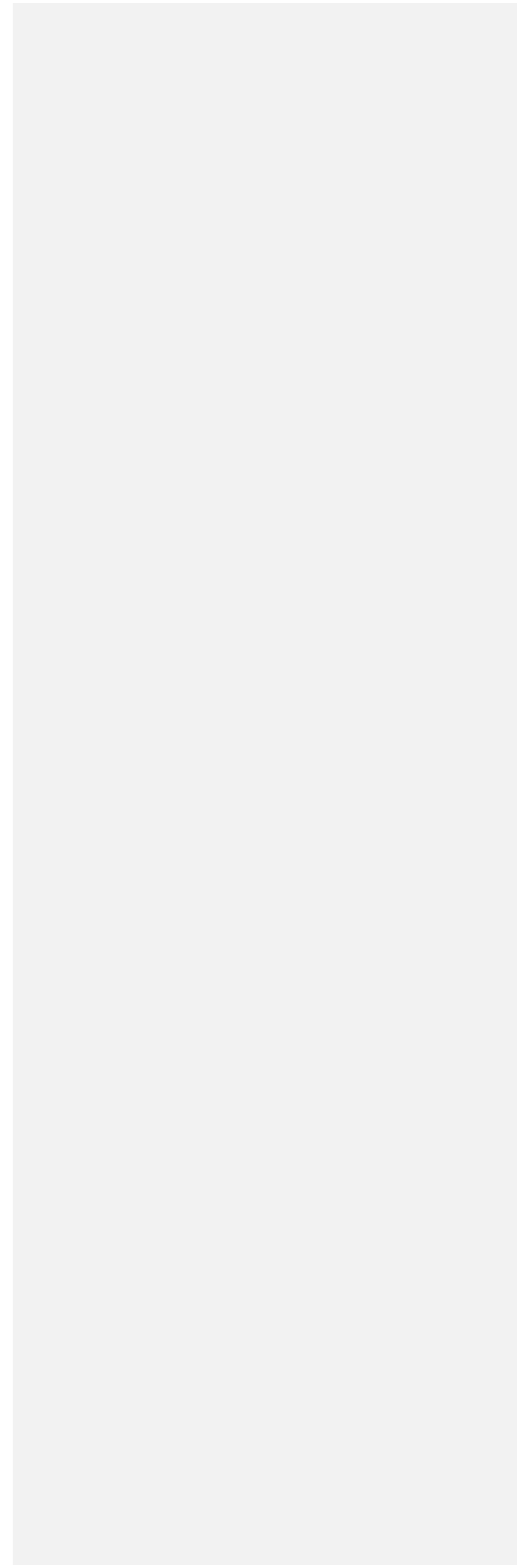
- COUNTY BOUNDARIES
-  NORTH PORT CITY LIMITS
-  WEST VILLAGES IMPROVEMENT DISTRICT
-  UNIT 2 BOUNDARY
-  ISLAND WALK LIMITS
-  GRAN PARADISO LIMITS
-  TOWN CENTER "2" LIMITS
-  88 ACRE MULTI-FAMILY PARCEL

Unit No. 3



Legend

- COUNTY BOUNDARY
- NORTH PORT CITY LIMITS
- ▨ WEST VILLAGES IMPROVEMENT DISTRICT
- GRAN PARADISO BOUNDARY
- UNIT 3 BOUNDARY



Unit No. 4

