

**MASTER
SPECIAL ASSESSMENT METHODOLOGY REPORT**

**SPECIAL ASSESSMENT BONDS
(PHASE ONE ASSESSMENT AREA)**

FOR

**BANYAN CAY
COMMUNITY DEVELOPMENT DISTRICT**

Prepared for the
Board of Supervisors

May 21, 2019
(Revised June 7, 2019 & September 9, 2019)

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1.0 INTRODUCTION

The Banyan Cay Community Development District (the “District”) is a local unit of special-purpose government located in the City of West Palm Beach (the “City”) in Palm Beach County, Florida (the “County”). The District was established on January 28, 2019, by Ordinance No. 4823-19 (the “Ordinance”) enacted by the City of West Palm Beach Commission to provide for the financing, construction and/or acquisition, long term administration and maintenance of certain public infrastructure of the Development, as defined herein. The entire District contains approximately 95.24 gross acres lying within the City as shown herein on **Exhibit A**. The plan of development for the District proposes a mix of residential unit types, a clubhouse component and a hotel (herein the “Development”), totaling 74 residential dwelling units (Estate Homes and Villas), 179 condominium units, 150 hotel rooms and approximately 18,250 square feet (“s.f.”) of non-residential clubhouse space (the “Clubhouse Component”). The Development is currently being planned in phases (2) as outlined below:

Development Plan	Estate Home Unit	Hotel Units/Rooms	Resort Villa Unit	Condominium Unit	Clubhouse Component (s.f.)
Phase One – 92.03 Acres	52	150	22	0	18,243 s.f.
Phase Two – 3.21 Acres	-	-	-	179	-
Totals	52	150	22	179	18,243 s.f.

The District anticipates issuing Special Assessment Bonds (the “Bonds”) in one or more series for the purpose of financing all or a portion of certain public infrastructure improvements in the District; as more specifically described in the Report of the Engineer (the “Engineer’s Report”) dated April 30, 2019 as revised, prepared by Engenuity Group, Inc., located at 1280 North Congress Avenue, Suite 101, West Palm Beach, Florida 33409 (the “District’s Engineer”), as such Engineer’s Report may be revised from time to time.

As stated above, the Development is being planned in phases. It should be pointed out that Phase Two, the Condominium component of the Development, will be constructed in the future; therefore, at this time there will be no debt assigned to the Condominium Parcel. This Master Special Assessment Methodology Report (the “Master Report”) will equitably allocate the costs being incurred by the District to provide infrastructure improvements to all developable lands within the District (defined herein as the “Project”). The implementation of the improvements will convey special and peculiar benefits to all assessable properties within the District. The proposed Bonds to be issued to finance the Project will initially benefit all assessable property within Phase One of the District (the “Phase One Assessment Area”) and will be repaid through the levy of non-ad valorem special assessments on all assessable property within the Phase One Assessment Area of the District.

2.0 PROJECTS TO BE FUNDED BY THE DISTRICT

The District intends to finance all or a portion of the construction of the public infrastructure improvements associated with District, including, but not limited to, roadway improvements (on site and off site), drainage and stormwater management system, water

distribution system, the wastewater collection system (including lift station) and other related improvements (the “Project”). The Project, as designed, is an integrated system of facilities that provides specific benefits to all assessable lands within the District. The total cost of the Project is currently estimated to be approximately \$7,463,830.00. A detail of the Project costs for the Phase One Assessment Area and the Phase Two Assessment Area are included herein on **Table A**. Any portion of the Project costs not financed through the issuance of the proposed Bonds is expected to be paid for by Banyan Cay Dev, LLC (the “Developer”).

Construction and/or acquisition and maintenance obligations for the District’s proposed infrastructure improvements are described as follows:

Roadway System Improvements: Include onsite and offsite improvements. The onsite roadways contemplated are known as Banyan Resort Way, Banyan Club Road and Banyan Cay Drive. The onsite roadways will be constructed by the Developer, then, acquired by the District upon certification of completion. Upon such acquisition, the ownership, operation and maintenance of the improvements will be the responsibility of the District; however, it is anticipated that the District will enter into a maintenance agreement with the Banyan Cay Master Association (hereinafter the “HOA”) after which the HOA will have operation and maintenance responsibilities of the improvements pursuant to a qualified management agreement.

The offsite roadway improvements contemplated are for Congress Avenue and the required offsite roadway improvements will be constructed by the Developer, then, acquired by the District upon certification of completion. The District will convey the offsite roadway improvements to the City after which the ownership, operation and maintenance of these improvements will be the responsibility of the City.

The stormwater management system consisting of system of lakes, inlets, storm drain pipes and control structure will be constructed by the Developer, then, acquired by the District upon certification of completion. Upon such acquisition, the ownership, operation and maintenance of the improvements will be the responsibility of the District; however, it is anticipated that the District will enter into a maintenance agreement with the HOA after which the HOA will have operation and maintenance responsibilities of the improvements pursuant to a qualified management agreement.

The water distribution and wastewater collection systems will be constructed by the Developer, then, acquired by the District and dedicated to the City of West Palm Beach Utilities upon certification of construction and completion. Upon such transfer by the District, the ownership, operation and maintenance of these systems will be the responsibility of the City.

The construction costs identified in this Master Report were provided by the District’s Engineer. Special District Services, Inc., as District Manager, makes no representation regarding the accuracy or validity of those costs and did not undertake any analysis or verification regarding such costs.

3.0 FUNDING OF IMPROVEMENTS

To defray the costs of construction and acquisition of the Project within the Phase One Assessment Area, the District will impose non-ad valorem special assessments on specially benefited real property within the Phase One Assessment Area of the District. These special assessments are based on the special and peculiar benefits accruing to such property from the improvements comprising the Project. The use of non-ad valorem special assessments has an advantage in that the properties that receive the special benefits from the Project are the only properties that are obligated to pay for those facilities and services. Without these improvements, development of the property would not be possible. The improvements, which will be funded through these special assessments, include only facilities which may be undertaken by a community development district under Chapter 190, ("F.S."). This Master Report is designed to meet the requirements of Chapters 170, 190 and 197, F.S.; and will be supplemented with one or more Supplemental Methodology Reports, as needed, to describe the actual terms and conditions at the time of issuance of one or more series of the Bonds issued to finance all or a portion of the Project.

In summary, special assessments may be made only: (1) for facilities which provide special benefits to property as distinct from general benefits, (2) against property which receives that special benefit, (3) in proportion to the benefits received by the properties, and (4) according to methods that the governing body of the jurisdiction determines. The special assessments placed upon all benefited properties in the Phase One Assessment Area of the District must be sufficient to cover the debt service of the Bonds that will be issued for financing the Project benefitting the Phase One Assessment Area and the costs to maintain those portions of the public infrastructure that remain under the ownership of the District. The special assessments must be fairly and reasonably allocated to the properties being assessed.

4.0 ALLOCATION OF BENEFIT AND ASSESSMENTS

In developing the methodology used for special assessments in the Development, two interrelated factors were used:

- A. Allocation of Benefit: Each parcel of land/lot/room/unit within the Phase One Assessment Area of the District benefits from the proposed improvements.
- B. Allocation of Debt: The special assessments imposed on each assessable parcel of land/lot/room/unit in the Phase One Assessment Area of the District cannot exceed the value of the benefits provided to such parcel of land/lot/room/unit.

The planned improvements comprising the Project are an integrated system of facilities designed to provide benefits to all land use types within the District. The Project is intended to work as a total system which will provide special benefits for each land use type within the District. The fair and reasonable method of allocating the benefit to each planned estate home, hotel room, resort villa, condominium unit and unit of non-residential space (square footage) in the District would be to assign an *equivalent residential unit*

(hereinafter “ERU”) to each land use type based on impact upon and use of the components of the Project.

For the purpose of this Master Report, the equivalent residential units (ERUs) have been assigned as follows:

<u>UNIT TYPE DESCRIPTION</u>	<u>ERU*</u>
Estate Home Unit	1.00
Hotel Room Unit	.80
Resort Villa Unit	.65
Condominium Unit	.55
Each 1,000 S.F. of Non-Residential space (Clubhouse Component Unit) (S.F. – Square Feet)	1.00

Accordingly, the Project benefits the described units in these same proportions resulting in the debt service assessments being allocated to each Estate Home Unit, Hotel Room Unit, Resort Villa Unit, Condominium Unit and Clubhouse Component Unit in these same proportions. The Project Benefits (including Phase One and Phase Two) are shown herein on **Table C**. The Bond Debt allocations specific to the Phase One Assessment Area are shown herein on **Table D**. Initially, the District will place a lien on all of the land in the Phase One Assessment Area of the District on an equal acreage basis.

In view of the approved land use plan for the District and the type of infrastructure to be funded by the proposed special assessments, this method described above results in a fair allocation of benefits and an equitable allocation of costs for the proposed Bonds. However, if the future platting or filing a declaration of condominium results in changes in land use or proportion of benefit per acre, this allocation methodology may not be applicable and it may be necessary for the District to revise the allocation methodology.

In addition to the special assessments imposed for debt service, the District will also levy annual operations and maintenance assessments to fund the costs of running the entire District and maintaining District owned public infrastructure. If applicable, it is anticipated that the annual operations and maintenance assessments will be allocated proportionately to all benefitted unit types.

5.0 COLLECTION OF SPECIAL ASSESSMENTS

The proposed special assessments relating to the Project will be collected through the Uniform Method of Collection described in Chapter 197, Section 197.3632; *F.S.* or any other legal means available to the District.

Since there are costs associated with the collection of the special assessments (whether by uniform method of collection as authorized under Chapter 197.3632, *F.S.* or other methods allowed by Florida law), these costs must also be included in the special assessment levy. These costs generally include the 1% collection fee of the County Tax Collector, a 1% service fee of the County Property Appraiser and a 4% discount for early payment of taxes. These additional costs may be reflected by dividing the annual debt service and operation

and maintenance assessment amounts by 0.94. In the event the special assessments are direct billed, then, the collection costs, services fees and discounts may not apply.

6.0 FINANCING STRUCTURE

The estimated cost of the total Project is approximately \$7,463,830.00. The construction program and the costs associated therewith for the District are identified herein on **Table A**.

A portion of the capital improvements comprising the Project is assumed to be financed by the Bonds which, when issued, will be payable from and secured by special assessments levied annually on all assessable properties within the Phase One Assessment Area of the District (currently estimated at approximately 92.03 acres). Based on current market conditions, the total aggregate principal par amount of the Bonds proposed to be issued by the District for the Phase One Assessment Area is estimated to be \$7,465,000.00. The proceeds of the Bonds for the Phase One Assessment Area will provide approximately \$5,038,645.00 for construction related costs. The sizing of the Bonds is assumed to include capitalized interest, a debt service reserve fund equal to the maximum annual debt service, financing costs and other assumptions as shown herein on **Table B**.

7.0 MODIFICATIONS, REVISIONS AND TRUE-UP MECHANISIM

Allocation of costs and benefit, shown herein on **Table C**, for the infrastructure improvements proposed comprising the Project to be financed by the District for the Phase One Assessment Area shall be based on a total of 52 Estate Home Units, 22 Resort Villa Units, 150 Hotel Room Units and a Clubhouse Component Unit, all of which are benefited by the infrastructure improvements. Based on an anticipated par Bond size of approximately \$7,465,000.00 at an assumed interest rate of 6.50% the estimated maximum annual debt service on the Bonds will be approximately \$571,698.00 which *has not* been grossed up to include the 1% County Tax Collector fee, 1% County Property Appraiser fee, and 4% discount for early payment of taxes.

To ensure that each planned unit/room/square footage in the Phase One Assessment Area is assessed no more than their pro-rata amount of the annual debt service shown in **Table D**, the District will be required to perform a “true-up” analysis, which requires a computation at the time of submission of each plat or re-plat to determine the potential remaining assessable units. The District shall, at the time a plat or re-plat is submitted to the City and/or the County:

A. Assume that the total number of assessable units being utilized as a basis for this assessment methodology is 52 estate home units, 22 resort villa units, 150 hotel room units and a clubhouse component unit. (“Total Assessable Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Unit and Clubhouse Component Unit”), with a total of 204.54 ERUs.

B. Ascertain the number of assessable residential dwelling estate units/lots, resort villa units/lots, hotel room units and clubhouse component unit in the proposed plat or re-plat and all prior plats (“Planned Assessable Residential Estate Units/Lots, Resort Villa

Units/Lots, Hotel Room Units and Clubhouse Component Unit”) and total amount of ERUs associated with such Planned Assessable Residential Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Units and the Clubhouse Component Unit.

C. Ascertain the current amount of potential remaining assessable residential estate units/lots, resort villa units/lots condominium units, hotel room units and clubhouse component unit (“Remaining Assessable Residential Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Units and Clubhouse Component Unit Units”) and total number of ERUs associated with the Remaining Assessable Residential Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Units and Clubhouse Component Unit Units.

For the Phase One Assessment Area, if the ERUs associated with the Planned Assessable Residential Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Units and Clubhouse Component Unit are equal to the ERUs associated with Total Assessable Residential Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Unit and Clubhouse Component Units no action would be required at that time. However, if the sum of the ERUs associated with the Planned Assessable Residential Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Units and Clubhouse Component Unit and the ERUs associated with the Remaining Assessable Residential Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Units and Clubhouse Component Unit are less than the ERUs associated with the Total Assessable Residential Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Unit and Clubhouse Component Unit, then, the Developer will be obligated by the District to remit to the District an amount of money sufficient to enable the District to retire an amount of proposed Bonds plus accrued interest such that the amount of debt service allocated to each ERU associated with the Planned Assessable Residential Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Units and Clubhouse Component Unit does not exceed the amount of debt service that would have been allocated thereto had the total number of Planned Assessable Residential Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Units and Clubhouse Component Unit been, 52 Estate Home Units, 22 Resort Villa Units, 150 Hotel Room Units and a Clubhouse Component Unit totaled *204.54 ERUs*. Conversely, if the Planned Assessable Residential Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Units and Clubhouse Component Unit or the mix of units/rooms/clubhouse is greater than the Total Assessable Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Unit and Clubhouse Component Units, with a total of *204.54 ERUs*, then, there will be a pro-rata decrease in the annual non-ad valorem assessments to all of the benefited properties.

All assessments levied run with the land within the Phase One Assessment Area. A determination of a true-up payment shall be in accordance with a true-up agreement to be entered into between the Developer and the District. It is the responsibility of the landowner of record to make any required true-up payments that are due. The District will not release any liens on the property for which true-up payments are due until provision for such payment has been satisfied.

In the event that additional land is annexed into the District which is currently not subject to the assessments and is developed in such a manner as to receive special benefit from the Project described herein, it will be necessary for this assessment methodology to be re-applied to include such parcels. The additional land will, as a result of re-applying this

allocation methodology, then be allocated an appropriate share of the special assessments while all currently assessed parcels will receive a relative reduction in their assessments

8.0 PRELIMINARY ASSESSMENT ROLL

As of the date of this Master Report, the District consists of platted acreage. The debt associated with the District's improvement plan for the Phase One Assessment Area will initially be distributed on an equal acreage basis across all benefiting gross acreage within the Phase One Assessment Area of the District. As folio numbers are assigned to lots/units/rooms/square footage the different product type will be assessed in the manner described herein and as shown herein on **Table F**.

The lands currently within the Phase One Assessment Area of the District consist of approximately 92.03 acres as described in **Exhibit "A"** attached hereto. The anticipated par amount of Bonds to be issued by the District to pay for the Project benefitting the Phase One Assessment Area of the District is estimated to be approximately \$7,465,000.00. Initially the assessments levied against the lands within the Phase One Assessment Area of the District will be apportioned on an acre basis. Therefore, the maximum annual debt service assessment for each acre of land in the Phase One Assessment Area of the District will be approximately \$6,609.00 as shown herein on **Table E**. The par Bond debt allocation for each acre within the Phase One Assessment Area of the District is approximately \$81,115.00 as shown herein on **Table F**.

The District is currently being development. When fully developed Phases One and Two of the District are planned for 52 Estate Home units, 22 Resort Villa units, 179 Condominium units, 150 Hotel Room units and a Clubhouse Component unit consisting of approximately 18,243 square feet. The total proposed mixed uses to be developed in the Phase One Assessment Area of the District are identified herein on **Tables C and D**.

9.0 ADDITIONAL STIPULATIONS

Certain financing, development, and engineering data was provided by members of District staff, District Engineer and/or the Developer. The allocation methodology described herein was based on information provided by those professionals. Special District Services, Inc. makes no representations regarding said information transactions beyond restatement of the factual information necessary for compilation of this Master Report.

Special District Services, Inc. does not represent the District as a Municipal Advisor or Securities Broker nor is Special District Services, Inc. registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as amended. Similarly, Special District Services, Inc. does not provide the District with financial advisory services or offer investment advice in any form.

TABLE A

PROJECT COST ESTIMATES
PHASE ONE AND PHASE TWO ASSESSMENT AREAS

BANYAN CAY COMMUNITY DEVELOPMENT DISTRICT

	PROJECT ESTIMATED COSTS PHASE ONE ASSESSMENT AREA*	PROJECT ESTIMATED COSTS PHASE TWO ASSESSMENT AREA	TOTAL PROJECT ESTIMATED COSTS
DRAINAGE and STORMWATER MANAGEMENT SYSTEM	\$ 946,455.14	\$ 455,544.86	\$ 1,402,000.00
WATER DISTRIBUTION SYSTEM	\$ 1,002,486.37	\$ 482,513.63	\$ 1,485,000.00
WATER DISTRIBUTION SYSTEM INSTALLATION FEES	\$ 122,796.14	\$ 59,103.86	\$ 181,900.00
WASTEWATER COLLECTION SYSTEM	\$ 720,980.09	\$ 347,019.91	\$ 1,068,000.00
WATER AND WASTEWATER SYSTEM CONNECTION FEES	\$ 569,628.28	\$ 274,171.72	\$ 843,800.00
ROADWAY SYSTEM (On Site and Off Site)	\$ 706,128.44	\$ 339,871.56	\$ 1,046,000.00
ROADWAY SYSTEM IMPACT FEES	\$ 121,513.50	\$ 58,486.50	\$ 180,000.00
EARTHWORK (Lake Excavation and Site Preparation)	\$ 848,657.03	\$ 408,472.97	\$ 1,257,130.00
TOTAL ESTIMATED PROJECT COSTS	\$ 5,038,645.00	\$ 2,425,185.00	\$ 7,463,830.00

Note: *Phase One Assessment Area does not include the Condominium Site (3.21+/- Acres)

TABLE B

BOND SIZING
PHASE ONE ASSESSMENT AREA

BANYAN CAY COMMUNITY DEVELOPMENT DISTRICT

	BOND SIZING
Par Amount (Estimated)	\$ 7,465,000.00 *
Debt Service Reserve Fund (DSRF)	\$ (571,697.69)
Capitalized Interest (36 months)	\$ (1,455,675.00)
Issuance Costs	\$ (398,982.31)
Rounding	\$ -
Construction Funds	\$ 5,038,645.00
Bond Interest Rate (Assumed)	6.50% *
Principal Amortization Period (Years)	30

*Subject to change at final Bond pricing

TABLE C

ALLOCATION OF PROJECT COSTS
PHASE ONE AND PHASE TWO ASSESSMENT AREAS

BANYAN CAY COMMUNITY DEVELOPMENT DISTRICT

Development Plan Type of Use	Number of Units by Type	ERU Factor by Type	Total ERUs by Type	Project Cost Allocation Per Type*	Project Cost Allocation Per Unit Type and/or Per S.F.
Estate Home Unit	52	1.00	52.00	\$1,280,951	\$24,633.67
Hotel Room/Unit	150	0.80	120.00	\$2,956,041	\$19,706.94
Resort Villa Unit	22	0.65	14.30	\$352,262	\$16,011.89
Condominium Unit	179	0.55	98.45	\$2,425,185	\$13,548.52
Total Unit Type	403	N/A	284.75	\$7,014,438	N/A
Clubhouse Component (S.F.)	18,243	0.001000	18.2430	\$449,392	\$24.63
TOTALS	N/A	N/A	302.99	\$7,463,830	N/A

*Rounded

S.F. - Square Feet

TABLE D

ALLOCATION OF BOND DEBT
PHASE ONE ASSESSMENT AREA

BANYAN CAY COMMUNITY DEVELOPMENT DISTRICT

Development Plan Type of Use	Number of Units by Type	ERU Factor	Total ERUs	Bond Debt Allocation Per Type and/or S.F.*	Bond Debt Allocation Per Unit Type and/or Per S.F.	Maximum Annual Debt Assessment Per Unit Type and/or Per S.F.
Estate Home Unit	52	1.00	52.00	\$1,897,792	\$36,495.99	\$2,795.00
Hotel Room/Unit	150	0.80	120.00	\$4,379,519	\$29,196.79	\$2,236.00
Resort Villa Unit	22	0.65	14.30	\$521,893	\$23,722.40	\$1,816.75
Condominium Unit***	N/A	0.55	N/A	N/A	N/A	N/A
Total Unit Type	224	N/A	186.30	\$6,799,204	N/A	N/A
Clubhouse Component (S.F.)	18,243	0.001000	18.24	\$665,796	\$36.50	\$2.7950
TOTALS	N/A	N/A	204.54	\$7,465,000	N/A	N/A

*Rounded

S.F. - Square Footage

*** Condominium Units will be assessed in the Phase Two Assessment Area

TABLE E

CALCULATION OF ANNUAL DEBT SERVICE ASSESSMENT
PHASE ONE ASSESSMENT AREA

BANYAN CAY COMMUNITY DEVELOPMENT DISTRICT

		BOND DEBT	
1	Maximum Annual Debt Service (Phase One Assessment Area)	\$	571,698
2	Maximum Annual Debt Service Assessment to be Collected	\$	608,189 *
3	Total Number of Gross Acres (Approximate)		95.24
4	Total Number of Acres in the Phase One Assessment Area		92.03
5	Total Number of Residential Units/Hotel Rooms Planned		224
6	Clubhouse Component (Unit) Total Square Footage		18,243 s.f.
7	Maximum Annual Debt Service Assessment per Gross Acre for the Phase One Assessment Area	\$	6,609
8	Maximum Annual Debt Service per Unit Type		See Table F

s.f. square feet

*Grossed up to include 1% collection fee of the County Tax Collector, 1% service fee of the County Property Appraiser and 4% for early payment of taxes. These collection costs, services fees and early payment discount may not apply if the special assessments securing the Bonds are being direct billed.

TABLE F

ALLOCATION OF DEBT SERVICE ASSESSMENTS
PHASE ONE ASSESSMENT AREA

PRELIMINARY ASSESSMENT ROLL

BANYAN CAY COMMUNITY DEVELOPMENT DISTRICT

Development Plan Type of Use	Number of Units or S.F. by Type	ERU Factor	Total ERUs	**Maximum Annual Debt Assessment Per Unit and/or S.F.	**Maximum Annual Debt Assessment Per Product Type
Estate Home Unit	52	1.00	52.00	\$2,973.40	\$154,617
Hotel Room/Unit	150	0.80	120.00	\$2,378.72	\$356,809
Resort Villa Unit	22	0.65	14.30	\$1,932.71	\$42,520
Condominium Unit	N/A	N/A	N/A	\$0.00	\$0
Sub-Totals	224	N/A	186.30	N/A	\$553,945
Clubhouse Component (S.F.)	18,243	0.001000	18.24	\$2.9734	\$54,244
TOTALS	N/A	N/A	204.54	N/A	\$608,189

**Grossed up to include 1% collection fee of the County Tax Collector, 1% service fee of the County Property Appraiser and 4% for early payment of taxes. These collection fees, service fees and early payment discount may not apply of the special assessments securing the Bonds are being direct billed.

Parcel Description	Gross Acreage (95.24) less Tract MF (3.21)	Par Debt/Acre Phase One Assessment Area
Banyan Cay Resort	92.03	\$ 81,114.85

EXHIBIT A

EXHIBIT A

(4 PAGES)

LEGAL DESCRIPTION

BANYAN CAY COMMUNITY DEVELOPMENT DISTRICT (Preliminary Assessment Roll)

LEGAL DESCRIPTION OF BANYAN CAY CDD

TRACTS "B", "C", "L-1", "L-2", "L-3", "L-4", "O-1", "O-2", "O-2", AND "O-4", BANYAN CAY RESORT COMMUNITY PLAT 1, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 124, PAGE 182, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA. TOGETHER WITH ALL OF THE PLAT OF BANYAN CAY RESORT, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 125, PAGE 114, SAID PUBLIC RECORDS.

ALSO BEING DESCRIBED AS:

BEGIN AT THE NORTHWEST CORNER OF SAID TRACT "O-1", THENCE, SOUTH 01°11'51" WEST, ALONG THE BOUNDARY OF SAID TRACT "O-1", A DISTANCE OF 1999.30 FEET TO A POINT ON THE BOUNDARY OF TRACT "RW" OF SAID BANYAN CAY RESORT COMMUNITY PLAT 1; THENCE, SOUTH 43°48'09" EAST, ALONG SAID BOUNDARY OF TRACT "RW", AND CONTINUING ALONG SAID BOUNDARY OF TRACT "O-1", A DISTANCE OF 16.97 FEET; THENCE, SOUTH 01°11'51" WEST, DEPARTING SAID BOUNDARY OF TRACT "O-1", AND CONTINUING ALONG THE BOUNDARY OF SAID TRACT "RW", A DISTANCE OF 288.74 FEET TO A POINT ON THE BOUNDARY OF TRACT "M" OF SAID BANYAN CAY RESORT COMMUNITY PLAT 1; THENCE, SOUTH 88°48'09" EAST, DEPARTING SAID BOUNDARY OF TRACT "RW", AND ALONG SAID BOUNDARY OF TRACT "M", A DISTANCE OF 13.00 FEET; THENCE, SOUTH 34°33'26" EAST, CONTINUING ALONG SAID BOUNDARY OF TRACT "M" FOR THIS AND THE NEXT TWO COURSES, A DISTANCE OF 431.79 FEET; THENCE, SOUTH 27°38'07" WEST, A DISTANCE OF 49.16 FEET; THENCE, NORTH 88°48'09" WEST, A DISTANCE OF 255.41 FEET TO A POINT ON THE BOUNDARY OF SAID PLAT OF BANYAN CAY RESORT; THENCE, SOUTH 01°11'51" WEST, ALONG SAID PLAT BOUNDARY, A DISTANCE OF 32.00 FEET; THENCE, SOUTH 88°48'09" EAST, CONTINUING ALONG SAID PLAT BOUNDARY FOR THIS AND THE NEXT FORTY-FIVE COURSES A DISTANCE OF 150.00 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHWEST, HAVING A RADIUS OF 180.00 FEET; THENCE, SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 42°37'46", A DISTANCE OF 133.92 FEET TO THE END OF SAID CURVE; THENCE, SOUTH 29°41'51" WEST, A DISTANCE OF 150.70 FEET; THENCE, SOUTH 01°11'51" WEST, A DISTANCE OF 309.61 FEET; THENCE, SOUTH 49°48'09" EAST, A DISTANCE OF 1219.91 FEET; THENCE, SOUTH 10°00'04" WEST, A DISTANCE OF 296.05 FEET; THENCE, SOUTH 80°01'55" EAST, A DISTANCE OF 186.63 FEET; THENCE, NORTH 09°58'05" EAST, A DISTANCE OF 215.46 FEET; THENCE, SOUTH 89°03'38" EAST, A DISTANCE OF 434.43 FEET; THENCE, SOUTH 00°56'22" WEST, A DISTANCE OF 124.00 FEET; THENCE, SOUTH 89°03'38" EAST, A DISTANCE OF 33.11 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHWEST, HAVING A RADIUS OF 20.00 FEET; THENCE, SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 101°36'03", A DISTANCE OF 35.47 FEET TO THE POINT OF TANGENCY; THENCE, SOUTH 12°32'25" WEST, A DISTANCE OF 154.87 FEET TO A POINT ON A CURVE CONCAVE SOUTHWEST, HAVING A RADIUS OF 440.00 FEET AND WHOSE RADIUS POINT BEARS SOUTH 21°34'29" WEST; THENCE, SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 38°05'30", A DISTANCE OF 292.52 FEET TO THE END OF SAID CURVE; THENCE, NORTH 58°21'56" EAST, A DISTANCE OF 60.18 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE NORTHWEST, HAVING A RADIUS OF 80.00 FEET; THENCE, NORTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 63°42'43", A DISTANCE OF 88.96 FEET TO THE POINT OF TANGENCY; THENCE, NORTH 05°20'47" WEST, A DISTANCE OF 248.00 FEET; THENCE, SOUTH 89°03'38" EAST, A DISTANCE OF 276.74 FEET; THENCE, SOUTH 11°56'22" WEST, A DISTANCE OF 20.20 FEET; THENCE, SOUTH 78°03'38" EAST, A DISTANCE OF 40.00 FEET; THENCE, NORTH 11°56'22" EAST, A DISTANCE OF 59.86 FEET; THENCE, NORTH

48°03'38" WEST, A DISTANCE OF 64.70 FEET; THENCE, NORTH 01°11'51" EAST, A DISTANCE OF 109.65 FEET; THENCE, NORTH 76°19'06" WEST, A DISTANCE OF 19.24 FEET; THENCE, NORTH 27°09'45" EAST, A DISTANCE OF 843.47 FEET; THENCE, NORTH 57°00'00" WEST, A DISTANCE OF 421.36 FEET; THENCE, NORTH 33°00'00" EAST, A DISTANCE OF 200.00 FEET; THENCE, NORTH 57°00'00" WEST, A DISTANCE OF 10.00 FEET; THENCE, SOUTH 33°00'00" WEST, A DISTANCE OF 240.00 FEET; THENCE, NORTH 57°00'00" WEST, A DISTANCE OF 4.00 FEET; THENCE, NORTH 17°00'37" WEST, A DISTANCE OF 49.79 FEET; THENCE, NORTH 42°57'50" WEST, A DISTANCE OF 61.85 FEET; THENCE, NORTH 56°27'52" WEST, A DISTANCE OF 107.15 FEET; THENCE, NORTH 49°33'23" WEST, A DISTANCE OF 108.06 FEET; THENCE, NORTH 51°17'21" WEST, A DISTANCE OF 50.25 FEET; THENCE, NORTH 50°01'01" WEST, A DISTANCE OF 57.58 FEET; THENCE, NORTH 52°11'56" WEST, A DISTANCE OF 107.53 FEET; THENCE, NORTH 53°15'44" WEST, A DISTANCE OF 107.38 FEET; THENCE, NORTH 66°32'10" WEST, A DISTANCE OF 108.65 FEET; THENCE, NORTH 66°00'56" WEST, A DISTANCE OF 108.49 FEET; THENCE, SOUTH 88°00'30" WEST, A DISTANCE OF 48.83 FEET; THENCE, NORTH 69°35'31" WEST, A DISTANCE OF 68.80 FEET; THENCE, NORTH 57°00'00" WEST, A DISTANCE OF 136.16 FEET; THENCE, NORTH 21°03'11" WEST, A DISTANCE OF 105.80 FEET; THENCE, NORTH 47°49'37" WEST, A DISTANCE OF 87.15 FEET TO A POINT ON THE BOUNDARY OF SAID BANYAN CAY RESORT COMMUNITY PLAT 1; THENCE, CONTINUE NORTH 47°49'37" WEST, DEPARTING SAID BOUNDARY OF THE PLAT OF BANYAN CAY RESORT, AND ALONG SAID BOUNDARY OF BANYAN CAY RESORT COMMUNITY PLAT 1, A DISTANCE OF 27.99 FEET; THENCE, NORTH 48°08'56" WEST, CONTINUING ALONG SAID PLAT BOUNDARY FOR THIS AND ALL OF THE REMAINING COURSES, A DISTANCE OF 115.14 FEET; THENCE, NORTH 41°00'37" WEST, A DISTANCE OF 115.24 FEET; THENCE, NORTH 55°40'14" WEST, A DISTANCE OF 123.87 FEET; THENCE, NORTH 55°12'31" WEST, A DISTANCE OF 41.83 FEET; THENCE, NORTH 09°22'53" WEST, A DISTANCE OF 86.00 FEET; THENCE, NORTH 14°27'11" WEST, A DISTANCE OF 119.08 FEET; THENCE, NORTH 17°55'23" WEST, A DISTANCE OF 115.14 FEET; THENCE, NORTH 20°14'46" WEST, A DISTANCE OF 114.74 FEET; THENCE, NORTH 17°04'09" WEST, A DISTANCE OF 115.43 FEET; THENCE, NORTH 07°57'02" WEST, A DISTANCE OF 115.44 FEET; THENCE, NORTH 02°48'06" WEST, A DISTANCE OF 115.33 FEET; THENCE, NORTH 01°38'18" WEST, A DISTANCE OF 111.9° FEET; THENCE, NORTH 01°28'27" WEST, A DISTANCE OF 107.27 FEET; THENCE, NORTH 02°16'01" EAST, A DISTANCE OF 107.17 FEET; THENCE, NORTH 06°32'33" EAST, A DISTANCE OF 109.17 FEET; THENCE, NORTH 12°31'50" EAST, A DISTANCE OF 115.97 FEET; THENCE, NORTH 07°20'45" EAST, A DISTANCE OF 114.45 FEET; THENCE, NORTH 18°20'21" EAST, A DISTANCE OF 114.48 FEET; THENCE, NORTH 13°06'08" EAST, A DISTANCE OF 115.20 FEET; THENCE, NORTH 18°10'30" WEST, A DISTANCE OF 30.62 FEET; THENCE, NORTH 30°22'24" WEST, A DISTANCE OF 51.26 FEET; THENCE, NORTH 38°22'25" WEST, A DISTANCE OF 150.48 FEET; THENCE, NORTH 37°48'17" WEST, A DISTANCE OF 100.40 FEET; THENCE, NORTH 42°56'51" WEST, A DISTANCE OF 100.00 FEET; THENCE, NORTH 46°50'49" WEST, A DISTANCE OF 71.47 FEET; THENCE, NORTH 79°42'44" WEST, A DISTANCE OF 25.32 FEET; THENCE, NORTH 86°30'43" WEST, A DISTANCE OF 100.08 FEET; THENCE, NORTH 78°02'40" WEST, A DISTANCE OF 101.79 FEET; THENCE, SOUTH 87°00'45" WEST, A DISTANCE OF 41.11 FEET; THENCE, SOUTH 39°29'16" WEST, A DISTANCE OF 24.21 FEET; THENCE, NORTH 40°20'04" WEST, A DISTANCE OF 46.76 FEET; THENCE, NORTH 88°48'09" WEST, A DISTANCE OF 212.98 FEET TO THE POINT OF BEGINNING.

LESS THE FOLLOWING DESCRIBED PARCEL OF LAND:

BEGIN AT THE NORTHWEST CORNER OF LOT 1 OF SAID BANYAN CAY RESORT COMMUNITY PLAT 1; THENCE, SOUTH 01°11'51" WEST, ALONG THE BOUNDARY OF SAID TRACT "O-1", A DISTANCE OF 1806.17 FEET; THENCE, SOUTH 43°48'09" EAST, CONTINUING ALONG SAID BOUNDARY OF TRACT "O-1" FOR THIS AND THE NEXT FIVE COURSES, A DISTANCE OF 48.26 FEET; THENCE, SOUTH 88°48'09" EAST, A DISTANCE OF 96.07 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE NORTHWEST, HAVING A RADIUS OF 23.00 FEET; THENCE, NORTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 78°47'39", A DISTANCE OF 31.63 FEET TO THE END OF SAID CURVE; THENCE, NORTH 68°15'43" EAST, A DISTANCE OF 24.16 FEET; THENCE, SOUTH 12°24'12" WEST, A DISTANCE OF 13.56 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE NORTHWEST, HAVING A RADIUS OF 43.00 FEET; THENCE, SOUTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 37°29'18", A DISTANCE OF 28.13 FEET TO A POINT ON THE BOUNDARY OF TRACT "A" OF SAID BANYAN CAY RESORT COMMUNITY PLAT 1, AND THE

END OF SAID CURVE; THENCE, NORTH 49°53'30" EAST, DEPARTING SAID BOUNDARY OF TRACT "O-1", AND ALONG SAID BOUNDARY OF TRACT "A", A DISTANCE OF 26.42 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTH, HAVING A RADIUS OF 116.00 FEET; THENCE, EASTERLY, ALONG SAID CURVE AND CONTINUING ALONG SAID BOUNDARY OF TRACT "A" FOR THIS AND THE NEXT FIVE COURSES, THROUGH A CENTRAL ANGLE OF 55°58'44", A DISTANCE OF 113.34 FEET TO THE POINT OF CUSP OF A CURVE CONCAVE NORTHEAST, HAVING A RADIUS OF 44.00 FEET AND WHOSE RADIUS POINT BEARS NORTH 15°52'14" EAST; THENCE, NORTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 49°29'31", A DISTANCE OF 38.01 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE SOUTHWEST, HAVING A RADIUS OF 501.00 FEET; THENCE, NORTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 15°32'39", A DISTANCE OF 135.92 FEET TO THE END OF SAID CURVE; THENCE, NORTH 43°48'09" WEST, A DISTANCE OF 162.02 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE EAST, HAVING A RADIUS OF 90.00 FEET; THENCE, NORTHERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 45°00'00", A DISTANCE OF 70.69 FEET TO THE POINT OF TANGENCY; THENCE, NORTH 01°11'51" EAST, A DISTANCE OF 64.63 FEET TO A POINT ON THE BOUNDARY OF SAID TRACT "L-2"; THENCE, SOUTH 88°48'09" EAST, DEPARTING SAID BOUNDARY OF TRACT "A", AND ALONG SAID BOUNDARY OF TRACT "L-2", A DISTANCE OF 205.00 FEET; THENCE, SOUTH 00°10'14" EAST, CONTINUING ALONG SAID BOUNDARY OF TRACT "L-2", A DISTANCE OF 29.57 FEET TO A POINT ON A CURVE CONCAVE EAST, HAVING A RADIUS OF 1909.70 FEET AND WHOSE RADIUS POINT BEARS NORTH 79°48'33" EAST; THENCE, SOUTHERLY, ALONG SAID CURVE AND CONTINUING ALONG SAID BOUNDARY OF TRACT "L-2", THROUGH A CENTRAL ANGLE OF 09°00'38", A DISTANCE OF 300.33 FEET TO A POINT ON THE BOUNDARY OF SAID TRACT "O-4"; THENCE, DEPARTING SAID BOUNDARY OF TRACT "L-2" AND ALONG SAID BOUNDARY OF TRACT "O-4", CONTINUE SOUTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 04°12'04", A DISTANCE OF 140.02 FEET TO THE POINT OF TANGENCY; THENCE, SOUTH 23°24'09" EAST, CONTINUING ALONG SAID BOUNDARY OF TRACT "O-4", A DISTANCE OF 121.33 FEET TO A POINT ON THE BOUNDARY OF SAID TRACT "L-4"; THENCE, CONTINUE SOUTH 23°24'09" EAST, DEPARTING SAID BOUNDARY OF TRACT "O-4", AND ALONG SAID BOUNDARY OF TRACT "L-4", A DISTANCE OF 193.67 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE NORTHEAST, HAVING A RADIUS OF 990.00 FEET; THENCE, SOUTHEASTERLY, ALONG SAID CURVE AND CONTINUING ALONG SAID BOUNDARY OF TRACT "L-4", THROUGH A CENTRAL ANGLE OF 15°18'57", A DISTANCE OF 264.64 FEET TO THE END OF SAID CURVE; THENCE, SOUTH 35°48'09" EAST, CONTINUING ALONG SAID BOUNDARY OF TRACT "L-4", A DISTANCE OF 116.18 FEET TO A POINT ON THE BOUNDARY OF SAID BANYAN CAY RESORT COMMUNITY PLAT 1 AND ON A CURVE CONCAVE NORTHWEST, HAVING A RADIUS OF 500.00 FEET AND WHOSE RADIUS POINT BEARS NORTH 25°20'48" WEST; THENCE, NORTHEASTERLY, DEPARTING SAID BOUNDARY OF TRACT "L-4", AND ALONG SAID PLAT BOUNDARY AND SAID CURVE, THROUGH A CENTRAL ANGLE OF 05°50'05", A DISTANCE OF 50.92 FEET TO THE POINT OF TANGENCY; THENCE, NORTH 58°49'07" EAST, CONTINUING ALONG SAID PLAT BOUNDARY, A DISTANCE OF 320.53 FEET TO A POINT ON THE BOUNDARY OF SAID TRACT "L-1" AND ON A CURVE CONCAVE NORTHEAST, HAVING A RADIUS OF 650.00 FEET AND WHOSE RADIUS POINT BEARS NORTH 36°21'58" EAST; THENCE, NORTHWESTERLY, DEPARTING SAID PLAT BOUNDARY, AND ALONG SAID BOUNDARY OF TRACT "L-1" AND SAID CURVE, THROUGH A CENTRAL ANGLE OF 30°13'53", A DISTANCE OF 342.96 FEET TO THE POINT OF TANGENCY; THENCE, NORTH 23°24'09" WEST, CONTINUING ALONG SAID BOUNDARY OF TRACT "L-1" FOR THIS AND ALL OF THE REMAINING COURSES, A DISTANCE OF 315.00 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE EAST, HAVING A RADIUS OF 1569.70 FEET; THENCE, NORTHERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 15°55'25", A DISTANCE OF 436.25 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE SOUTHWEST, HAVING A RADIUS OF 270.00 FEET; THENCE, NORTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 81°19'25", A DISTANCE OF 383.23 FEET TO THE POINT OF TANGENCY; THENCE, NORTH 88°48'09" WEST, A DISTANCE OF 259.16 FEET; THENCE, NORTH 01°11'51" EAST, A DISTANCE OF 174.00 FEET; THENCE, SOUTH 88°48'09" EAST, A DISTANCE OF 155.00 FEET; THENCE, SOUTH 75°53'17" EAST, A DISTANCE OF 104.65 FEET TO A POINT ON A CURVE CONCAVE WEST, HAVING A RADIUS OF 200.00 FEET AND WHOSE RADIUS POINT BEARS NORTH 15°58'16" EAST; THENCE, NORTHERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 210°08'26", A DISTANCE OF 733.53 FEET TO THE END OF SAID CURVE; THENCE, SOUTH 78°19'36" WEST, A DISTANCE OF 102.58 FEET; THENCE, NORTH 88°48'09" WEST,

A DISTANCE OF 155.00 FEET; THENCE, NORTH 01°11'51" EAST, A DISTANCE OF 234.00 FEET; THENCE, SOUTH 88°48'09" EAST, A DISTANCE OF 105.00 FEET; THENCE, SOUTH 69°33'43" EAST, A DISTANCE OF 105.92 FEET TO A POINT ON A CURVE CONCAVE WEST, HAVING A RADIUS OF 200.00 FEET AND WHOSE RADIUS POINT BEARS NORTH 30°12'36" EAST; THENCE, NORTHERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 209°00'45", A DISTANCE OF 729.59 FEET TO THE POINT OF TANGENCY; THENCE, NORTH 88°48'09" WEST, A DISTANCE OF 342.00 FEET TO THE POINT OF BEGINNING.

CONTAINING: 95.24 ACRES, MORE OR LESS.

SUBJECT TO EASEMENTS, RESERVATIONS, RESTRICTIONS AND RIGHTS-OF-WAY OF RECORD.

LESS

TRACT MF, OF THE PLAT OF BANYAN CAY RESORT, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 125, PAGES 114-117, OF THE PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

CONTAINING: 3.21 ACRES, MORE OR LESS.

PHASE ONE ASSESSMENT AREA: CONTAINING 92.03 ACRES MORE OR LESS.

**FINAL FIRST SUPPLEMENTAL
SPECIAL ASSESSMENT METHODOLOGY REPORT**

**SPECIAL ASSESSMENT BONDS, SERIES 2020
(PHASE ONE ASSESSMENT AREA PROJECT)**

FOR

**BANYAN CAY
COMMUNITY DEVELOPMENT DISTRICT**

Prepared for the
Board of Supervisors

December 2, 2020

SPECIAL DISTRICT SERVICES, INC.

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1.0 INTRODUCTION

The Banyan Cay Community Development District (the “District”) is a local unit of special-purpose government located in the City of West Palm Beach (the “City”) in Palm Beach County, Florida (the “County”). The District was established on January 28, 2019, by Ordinance No. 4823-19 (the “Ordinance”) enacted by the City of West Palm Beach Commission to provide for the financing, construction and/or acquisition, and long term administration and maintenance of certain public infrastructure of the Development, as defined herein. The entire District contains approximately 95.24 gross acres lying within the City as shown herein on **Exhibit “A”**. The plan for the first phase of development for the District proposes a mix of residential unit types, a clubhouse component and a hotel (herein the “Development”), totaling 74 residential dwelling units (Estate Homes and Villas), 150 hotel rooms and 18,243 square feet (“s.f.”) of non-residential clubhouse space (the “Clubhouse Component”) all to be located in a designated assessment area within the District referred to as the “Phase One Assessment Area”.

Development Plan	Estate Home Unit	Hotel Units/Rooms	Resort Villa Unit	Clubhouse Component (s.f.)
95.24 Acres	52	150	22	18,243 s.f.
Totals	52	150	22	18,243 s.f.

This Final First Supplemental Special Assessment Methodology Report dated December 2, 2020 (the “First Supplemental Report”), prepared by Special District Services, Inc. will demonstrate the allocation of special assessments as it relates to the sale and issuance of special assessment bonds designated as Special Assessment Bonds, Series 2020 (Phase One Assessment Area) (herein, the “Bonds”) for financing certain public infrastructure and will equitably allocate the costs being incurred by the District to provide the benefits of the Project (defined herein) to all of the developable lands in the Phase One Assessment Area within the District. The public infrastructure improvements are described in the adopted Banyan Cay Community Development District Engineer’s Report dated April 30, 2019 as amended (the “Engineer’s Report”), prepared by Engenuity Group Inc. (the “District’s Engineer”).

2.0 PROJECTS TO BE FUNDED BY THE DISTRICT

The District intends to finance all or a portion of the construction of the public infrastructure improvements associated with the Development, including, but not limited to, roadway improvements (on site and off site), drainage and stormwater management system, water distribution system, the wastewater collection system, lake excavation and site preparation and other related improvements relating to the Phase One Assessment Area (the “Project”). The Project, as designed, is an integrated system of facilities that provides specific benefits to all assessable lands within the Phase One Assessment Area within the District. The total cost of the Project is currently estimated to be approximately \$7,463,830.00. A detail of the Project costs are included herein on **Table A**. Any portion of the Project costs not financed through the issuance of the Bonds is expected to be paid for

by Banyan Cay Dev. LLC, Banyan Cay Villas, LLC and Banyan Cay Resort & Golf LLC are herein referred to collectively as (the “Developer”).

Each component of the infrastructure works as a system to provide benefits to the lands in the District. It is useful to consider three (3) distinct states or conditions of development within a community. The initial condition is the “undeveloped state”. At this point the infrastructure may or may not be installed and none of the units in the plan of development have received a certificate of occupancy (CO). This condition exists when the infrastructure is financed prior to any development. In the undeveloped state all the lands within the Phase One Assessment Area within the District receive benefit from the Project and all of the lands within the Phase One Assessment Area within the District will be assessed to repay the Bonds. These assessments would be calculated on an equal acreage basis.

The second condition is “on-going development”. During this stage the installation of infrastructure has commenced. Additionally, the plan of development has started to unfold. Therefore, each platted unit would be assigned a proportionate debt service assessment amount. The remaining unassigned debt would continue to fall on the balance of the unplatted land and the unplatted land would continue to be assessed on an equal acre basis.

The third condition is the “completed development state”. In this condition the entire plan of development has been completed and the total par value of the Bonds has been assigned as specific assessments to each development unit within the Phase One Assessment Area within the District as shown herein on **Table F**.

Construction and/or acquisition and maintenance obligations for the District’s proposed infrastructure improvements are described as follows:

Roadway System Improvements: Include onsite and offsite improvements. The onsite roadways contemplated are known as Banyan Resort Way, Banyan Club Road and Banyan Cay Drive. The onsite roadways will be constructed by the Developer, then, acquired by the District upon certification of completion. Upon such acquisition, the ownership, operation and maintenance of the improvements will be the responsibility of the District; however, it is anticipated that the District will enter into a maintenance agreement with the Banyan Cay Master Association (hereinafter the “HOA”) after which the HOA will have operation and maintenance responsibilities of the improvements pursuant to a qualified management agreement.

The offsite roadway improvements contemplated are for Congress Avenue and the required offsite roadway improvements will be constructed by the Developer, then, acquired by the District upon certification of completion. The District will convey the offsite roadway improvements to the City after which the ownership, operation and maintenance of these improvements will be the responsibility of the City.

The stormwater management system consisting of system of lakes, inlets, storm drain pipes and control structure will be constructed by the Developer, then, acquired by the District upon certification of completion. Upon such acquisition, the ownership, operation and maintenance of the improvements will be the responsibility of the District; however, it is anticipated that the District will enter into a maintenance agreement with the HOA after

which the HOA will have operation and maintenance responsibilities of the improvements pursuant to a qualified management agreement.

The water distribution and wastewater collection systems will be constructed by the Developer, then, acquired by the District and dedicated to the City of West Palm Beach Utilities upon certification of construction and completion. Upon such transfer by the District, the ownership, operation, and maintenance of these systems will be the responsibility of the City.

The construction costs identified in this Preliminary First Supplemental Report were provided by the District's Engineer. Special District Services, Inc., as District Manager, makes no representation regarding the accuracy or validity of those costs and did not undertake any analysis or verification regarding such costs.

3.0 FUNDING OF IMPROVEMENTS

To defray the costs of construction and acquisition of the Project, the District will impose capital non-ad valorem special assessments on all benefited real property within the Phase One Assessment Area within the District. These non-ad valorem special assessments are based on the special and peculiar benefits accruing to such property from the improvements comprising the Project. The use of non-ad valorem special assessments has an advantage in that the properties that receive the special benefits from the Project are the only properties that are obligated to pay for those facilities and services. Without these improvements, development of the property would not be possible. The capital facilities, which will be funded (by the Bonds) through these special assessments, include only facilities which may be undertaken by a community development district under Chapter 190, *F.S.*

In summary, special assessments may be levied only against certain property: (1) for facilities which provide special benefits to such property as distinct from general benefits, (2) only against property which receives that special benefit, (3) in proportion to the benefits received by the properties, and (4) according to methods that the governing body of the jurisdiction determines. The assessments placed upon various benefited properties within the Phase One Assessment Area within the District must be sufficient to cover the debt service of the Bonds that will be issued for financing the Project and the costs to maintain those portions of the infrastructure that remain under the ownership of the District. The special assessments must be fairly and reasonably allocated to the properties being assessed.

4.0 ALLOCATION OF BENEFIT AND ASSESSMENTS

In developing the methodology used for special assessments in the District, two interrelated factors were used:

- A. Allocation of Benefit: Each parcel/lot/unit within the Phase One Assessment Area within the District benefits from the proposed improvements.

- B. Allocation of Debt/Cost: The special assessments imposed on each parcel/lot/unit cannot exceed the value of the benefits provided to such parcel/lot/unit.

The planned improvements comprising the Project are an integrated system of facilities designed to provide benefits to the Phase One Assessment Area within the District. The Project is intended to work as a total system which will provide special benefits for each land use type within the Phase One Assessment Area within the District. The fair and reasonable method of allocating the benefit to each planned residential unit and other land uses within the Phase One Assessment Area in the District would be to assign an *equivalent residential unit* (“ERU”) to the different product types based on relative size. Therefore, for the purpose of this First Supplemental Report, each Estate Home Unit will be the base unit upon which the other product type will be compared and has been assigned one (1) ERU; each Hotel Room Unit is defined as one (1) ERU; each Resort Villa Unit is defined as 0.80 ERU; and each square foot of Clubhouse Unit is defined as 0.001 ERU. Accordingly, the planned Project benefits the units in these same proportions resulting in the debt service assessments also being allocated to each unit type in these proportions. The Project benefit allocation and the allocation of Bond debt are shown herein on **Table C** and **Table D**.

In view of the approved land use plan for the Project in the District and the type of infrastructure to be funded by the proposed special assessments, this method results in a fair allocation of benefits and an equitable allocation of costs for the Bonds. However, if future platting results in changes in land use or proportion of benefit per acre and/or unit type, this allocation methodology may not be applicable, and it may be necessary for the District to revise the allocation methodology.

To defray the operation and maintenance costs for the portions of the Project that will be owned and maintained by the District, the District will impose on an annual basis non-ad valorem Operations and Maintenance (“O&M”) special assessments on the benefitted real property within the Phase One Assessment Area within the District.

5.0 COLLECTION OF SPECIAL ASSESSMENTS

The proposed special assessments relating to the Project will be collected through the Uniform Method of Collection described in Chapter 197, Section 197.3632; *F.S.* or any other legal means available to the District.

Since there are costs associated with the collection of the special assessments (whether by uniform method of collection as authorized under Chapter 197.3632, *F.S.*, or other methods allowed by Florida law), these costs must also be included in the special assessment levy. These costs generally include the 1% collection fee of the County Tax Collector, a 1% service fee of the County Property Appraiser and a 4% discount for early payment of taxes. These additional costs may be reflected by dividing the annual debt service and maintenance assessment amounts by a factor of 0.94. In the event the special assessments are direct billed, then, the collections costs and discounts may not apply.

6.0 FINANCING STRUCTURE

The cost of the Project will be approximately \$7,463,830.00. The construction program and the costs associated therewith are identified herein on **Table A**. A portion of the capital improvements comprising the Project will be financed by the Bonds, which will be payable from and secured by special assessments levied annually on all assessable properties/lots/units within the Phase One Assessment Area in the District. The total aggregate principal amount of the Bonds projected to be issued to finance the Project is \$6,895,000.00. The sizing of the Bonds includes a debt service reserve fund equal to the annual maximum debt service, capitalized interest, issuance costs and other assumptions as shown herein on **Table B**.

7.0 MODIFICATIONS, REVISIONS AND TRUE-UP MECHANISIM

Allocation of costs and benefit, shown herein on **Table C**, for the infrastructure improvements proposed comprising the Project to be financed by the District shall be based on a total of 52 Estate Home Units, 22 Resort Villa Units, 150 Hotel Room Units and a Clubhouse Component Unit, all of which are benefited by the infrastructure improvements comprising the Project. Based on a par Bond size of \$6,895,000.00 at an average coupon rate of 3.98% the maximum annual debt service on the Bonds will be \$400,000.00 which *has not* been grossed up to include the 1% County Tax Collector fee, 1% County Property Appraiser fee, and 4% discount for early payment of taxes.

To ensure that each planned unit/room/square footage is assessed no more than their pro-rata amount of the annual debt service shown in **Table D**, the District will be required to perform a “true-up” analysis, which requires a computation at the time of submission of each plat or re-plat to determine the potential remaining assessable units. The District shall, at the time a plat or re-plat is submitted to the City.

A. Assume that the total number of assessable units being utilized as a basis for this assessment methodology is 52 estate home units, 22 resort villa units, 150 hotel room units and a clubhouse component unit. (“Total Assessable Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Unit and Clubhouse Component Unit”), with a total of 237.84 ERUs.

B. Ascertain the number of assessable residential dwelling estate units/lots, resort villa units/lots, hotel room units and clubhouse component unit in the proposed plat or re-plat and all prior plats (“Planned Assessable Residential Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Units and Clubhouse Component Unit”) and total amount of ERUs associated with such Planned Assessable Residential Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Units and the Clubhouse Component Unit.

C. Ascertain the current amount of potential remaining assessable residential estate units/lots, resort villa units/lots, hotel room units and clubhouse component unit (“Remaining Assessable Residential Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Units and Clubhouse Component Unit Units”) and total number of ERUs associated with the Remaining Assessable Residential Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Units and Clubhouse Component Unit Units.

For the Development, if the ERUs associated with the Planned Assessable Residential Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Units and Clubhouse Component Unit are equal to the ERUs associated with Total Assessable Residential Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Unit and Clubhouse Component Units, no action would be required at that time. However, if the sum of the ERUs associated with the Planned Assessable Residential Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Units and Clubhouse Component Unit and the ERUs associated with the Remaining Assessable Residential Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Units and Clubhouse Component Unit are less than the ERUs associated with the Total Assessable Residential Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Unit and Clubhouse Component Unit, then, the Developer will be obligated by the District to remit to the District an amount of money sufficient to enable the District to retire an amount of proposed Bonds plus accrued interest such that the amount of debt service allocated to each ERU associated with the Planned Assessable Residential Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Units and Clubhouse Component Unit does not exceed the amount of debt service that would have been allocated thereto had the total number of Planned Assessable Residential Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Units and Clubhouse Component Unit been, 52 Estate Home Units, 22 Resort Villa Units, 150 Hotel Room Units and a Clubhouse Component Unit totaled 237.84 ERUs. Conversely, if the Planned Assessable Residential Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Units and Clubhouse Component Unit or the mix of units/rooms/clubhouse is greater than the Total Assessable Estate Units/Lots, Resort Villa Units/Lots, Hotel Room Unit and Clubhouse Component Units, with a total of 237.84 ERUs, then, there will be a pro-rata decrease in the annual non-ad valorem assessments to all of the benefited properties.

All assessments levied run with the land within the Phase One Assessment Area. A determination of a true-up payment shall be in accordance with a true-up agreement to be entered into between the Developer and the District. It is the responsibility of the landowner of record to make any required true-up payments that are due. The District will not release any liens on the property for which true-up payments are due until provision for such payment has been satisfied.

In the event that additional land is annexed into the Phase One Assessment Area with the District which is currently not subject to the assessments and is developed in such a manner as to receive special benefit from the Project described herein, it will be necessary for this assessment methodology to be re-applied to include such parcels. The additional land will, as a result of re-applying this allocation methodology, then be allocated an appropriate share of the special assessments while all currently assessed parcels will receive a relative reduction in their assessments

8.0 ASSESSMENT ROLL

As of the date of this First Supplemental Report, the District consists of not all platted acreage. The debt associated with the District's improvement plan will initially be distributed to platted units and on an equal acreage basis across all benefiting gross acreage within the District which have not yet been platted. As folio numbers are assigned to

lots/units/rooms/square footage the different product type will be assessed in the manner described herein and as shown herein on **Table F**.

Assessable lands within the Phase One Assessment Area within the District consist of 92.03 +/- acres as described in **Exhibit “A”** attached hereto and as outlined herein on **Table F**. The par amount of Bonds to be issued by the District to pay for a portion of the Project will be \$6,895,000.00. For the purpose of this First Supplemental Report each gross acre will be assigned approximately \$74,921.22 of par Bond debt as described herein on **Table F**. All assessable lands that have not been platted within the Phase One Assessment Area within the District will be apportioned on a gross acre basis. As platting occurs the special assessments will be assigned to the 52 Estate Home units, 22 Resort Villa units, 150 Hotel Room units and a Clubhouse Component unit consisting of approximately 18,243 square feet. The total proposed mixed uses to be developed within the Phase One Assessment Area in the District are identified herein on **Tables C and D**.

9.0 ADDITIONAL STIPULATIONS

Certain financing, development, and engineering data was provided by members of District staff, the District’s Engineer and/or the Developer. The allocation methodology described herein was based on information provided by those professionals. Special District Services, Inc. makes no representations regarding said information transactions beyond restatement of the factual information necessary for compilation of this First Supplemental Report.

Special District Services, Inc. does not represent the District as a Municipal Advisor or Securities Broker nor is Special District Services, Inc. registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as amended. Similarly, Special District Services, Inc. does not provide the District with financial advisory services or offer investment advice in any form.

**LEGAL DESCRIPTION
BANYAN CAY COMMUNITY DEVELOPMENT DISTRICT**

LEGAL DESCRIPTION OF BANYAN CAY CDD

TRACTS "B", "C", "L-1", "L-2", "L-3", "L-4", "O-1", "O-2", "O-3", AND "O-4", BANYAN CAY RESORT COMMUNITY PLAT 1, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 124, PAGE 182, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA. TOGETHER WITH ALL OF THE PLAT OF BANYAN CAY RESORT, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 125, PAGE 114, SAID PUBLIC RECORDS.

ALSO BEING DESCRIBED AS:

BEGIN AT THE NORTHWEST CORNER OF SAID TRACT "O-1", THENCE, SOUTH 01°11'51" WEST, ALONG THE BOUNDARY OF SAID TRACT "O-1", A DISTANCE OF 1999.30 FEET TO A POINT ON THE BOUNDARY OF TRACT "RW" OF SAID BANYAN CAY RESORT COMMUNITY PLAT 1; THENCE, SOUTH 43°48'09" EAST, ALONG SAID BOUNDARY OF TRACT "RW", AND CONTINUING ALONG SAID BOUNDARY OF TRACT "O-1", A DISTANCE OF 16.97 FEET; THENCE, SOUTH 01°11'51" WEST, DEPARTING SAID BOUNDARY OF TRACT "O-1", AND CONTINUING ALONG THE BOUNDARY OF SAID TRACT "RW", A DISTANCE OF 288.74 FEET TO A POINT ON THE BOUNDARY OF TRACT "M" OF SAID BANYAN CAY RESORT COMMUNITY PLAT 1; THENCE, SOUTH 88°48'09" EAST, DEPARTING SAID BOUNDARY OF TRACT "RW", AND ALONG SAID BOUNDARY OF TRACT "M", A DISTANCE OF 13.00 FEET; THENCE, SOUTH 34°33'26" EAST, CONTINUING ALONG SAID BOUNDARY OF TRACT "M" FOR THIS AND THE NEXT TWO COURSES, A DISTANCE OF 431.79 FEET; THENCE, SOUTH 27°38'07" WEST, A DISTANCE OF 49.16 FEET; THENCE, NORTH 88°48'09" WEST, A DISTANCE OF 255.41 FEET TO A POINT ON THE BOUNDARY OF SAID PLAT OF BANYAN CAY RESORT; THENCE, SOUTH 01°11'51" WEST, ALONG SAID PLAT BOUNDARY, A DISTANCE OF 32.00 FEET; THENCE, SOUTH 88°48'09" EAST, CONTINUING ALONG SAID PLAT BOUNDARY FOR THIS AND THE NEXT FORTY-FIVE COURSES A DISTANCE OF 150.00 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHWEST, HAVING A RADIUS OF 180.00 FEET; THENCE, SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 42°37'46", A DISTANCE OF 133.92 FEET TO THE END OF SAID CURVE; THENCE, SOUTH 29°41'51" WEST, A DISTANCE OF 150.70 FEET; THENCE, SOUTH 01°11'51" WEST, A DISTANCE OF 309.61 FEET; THENCE, SOUTH 49°48'09" EAST, A DISTANCE OF 1219.91 FEET; THENCE, SOUTH 10°00'04" WEST, A DISTANCE OF 296.05 FEET; THENCE, SOUTH 80°01'55" EAST, A DISTANCE OF 186.63 FEET; THENCE, NORTH 09°58'05" EAST, A DISTANCE OF 215.46 FEET; THENCE, SOUTH 89°03'38" EAST, A DISTANCE OF 434.43 FEET; THENCE, SOUTH 00°56'22" WEST, A DISTANCE OF 124.00 FEET; THENCE, SOUTH 89°03'38" EAST, A DISTANCE OF 33.11 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTHWEST, HAVING A RADIUS OF 20.00 FEET; THENCE, SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 101°36'03", A DISTANCE OF 35.47 FEET TO THE POINT OF TANGENCY; THENCE, SOUTH 12°32'25" WEST, A DISTANCE OF 154.87 FEET TO A POINT ON A CURVE CONCAVE SOUTHWEST, HAVING A RADIUS OF 440.00 FEET AND WHOSE RADIUS POINT BEARS SOUTH 21°34'29" WEST; THENCE, SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 38°05'30", A DISTANCE OF 292.52 FEET TO THE END OF SAID CURVE; THENCE, NORTH 58°21'56" EAST, A DISTANCE OF 60.18 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE NORTHWEST, HAVING A RADIUS OF 80.00 FEET; THENCE, NORTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 63°42'43", A DISTANCE OF 88.96 FEET TO THE POINT OF TANGENCY; THENCE, NORTH 05°20'47" WEST, A DISTANCE OF 248.00 FEET; THENCE, SOUTH 89°03'38" EAST, A DISTANCE OF 276.74 FEET; THENCE, SOUTH 11°56'22" WEST, A DISTANCE OF 20.20 FEET; THENCE, SOUTH 78°03'38" EAST, A DISTANCE OF 40.00 FEET; THENCE, NORTH 11°56'22" EAST, A DISTANCE OF 59.86 FEET; THENCE, NORTH

48°03'38" WEST, A DISTANCE OF 64.70 FEET; THENCE, NORTH 01°11'51" EAST, A DISTANCE OF 109.65 FEET; THENCE, NORTH 76°19'06" WEST, A DISTANCE OF 19.24 FEET; THENCE, NORTH 27°09'45" EAST, A DISTANCE OF 843.47 FEET; THENCE, NORTH 57°00'00" WEST, A DISTANCE OF 421.36 FEET; THENCE, NORTH 33°00'00" EAST, A DISTANCE OF 200.00 FEET; THENCE, NORTH 57°00'00" WEST, A DISTANCE OF 10.00 FEET; THENCE, SOUTH 33°00'00" WEST, A DISTANCE OF 240.00 FEET; THENCE, NORTH 57°00'00" WEST, A DISTANCE OF 4.00 FEET; THENCE, NORTH 17°00'37" WEST, A DISTANCE OF 49.79 FEET; THENCE, NORTH 42°57'50" WEST, A DISTANCE OF 61.85 FEET; THENCE, NORTH 56°27'52" WEST, A DISTANCE OF 107.15 FEET; THENCE, NORTH 49°33'23" WEST, A DISTANCE OF 108.06 FEET; THENCE, NORTH 51°17'21" WEST, A DISTANCE OF 50.25 FEET; THENCE, NORTH 50°01'01" WEST, A DISTANCE OF 57.58 FEET; THENCE, NORTH 52°11'56" WEST, A DISTANCE OF 107.53 FEET; THENCE, NORTH 53°15'44" WEST, A DISTANCE OF 107.38 FEET; THENCE, NORTH 66°32'10" WEST, A DISTANCE OF 108.65 FEET; THENCE, NORTH 66°00'56" WEST, A DISTANCE OF 108.49 FEET; THENCE, SOUTH 88°00'30" WEST, A DISTANCE OF 48.83 FEET; THENCE, NORTH 69°35'31" WEST, A DISTANCE OF 68.80 FEET; THENCE, NORTH 57°00'00" WEST, A DISTANCE OF 136.16 FEET; THENCE, NORTH 21°03'11" WEST, A DISTANCE OF 105.80 FEET; THENCE, NORTH 47°49'37" WEST, A DISTANCE OF 87.15 FEET TO A POINT ON THE BOUNDARY OF SAID BANYAN CAY RESORT COMMUNITY PLAT 1; THENCE, CONTINUE NORTH 47°49'37" WEST, DEPARTING SAID BOUNDARY OF THE PLAT OF BANYAN CAY RESORT, AND ALONG SAID BOUNDARY OF BANYAN CAY RESORT COMMUNITY PLAT 1, A DISTANCE OF 27.99 FEET; THENCE, NORTH 48°08'56" WEST, CONTINUING ALONG SAID PLAT BOUNDARY FOR THIS AND ALL OF THE REMAINING COURSES, A DISTANCE OF 115.14 FEET; THENCE, NORTH 41°00'37" WEST, A DISTANCE OF 115.24 FEET; THENCE, NORTH 55°40'14" WEST, A DISTANCE OF 123.87 FEET; THENCE, NORTH 55°12'31" WEST, A DISTANCE OF 41.83 FEET; THENCE, NORTH 09°22'53" WEST, A DISTANCE OF 86.00 FEET; THENCE, NORTH 14°27'11" WEST, A DISTANCE OF 119.08 FEET; THENCE, NORTH 17°55'23" WEST, A DISTANCE OF 115.14 FEET; THENCE, NORTH 20°14'46" WEST, A DISTANCE OF 114.74 FEET; THENCE, NORTH 17°04'09" WEST, A DISTANCE OF 115.43 FEET; THENCE, NORTH 07°57'02" WEST, A DISTANCE OF 115.44 FEET; THENCE, NORTH 02°48'06" WEST, A DISTANCE OF 115.33 FEET; THENCE, NORTH 01°38'18" WEST, A DISTANCE OF 111.92 FEET; THENCE, NORTH 01°28'27" WEST, A DISTANCE OF 107.27 FEET; THENCE, NORTH 02°16'01" EAST, A DISTANCE OF 107.17 FEET; THENCE, NORTH 06°32'33" EAST, A DISTANCE OF 109.17 FEET; THENCE, NORTH 12°31'50" EAST, A DISTANCE OF 115.97 FEET; THENCE, NORTH 07°20'45" EAST, A DISTANCE OF 114.45 FEET; THENCE, NORTH 18°20'21" EAST, A DISTANCE OF 114.48 FEET; THENCE, NORTH 13°06'08" EAST, A DISTANCE OF 115.20 FEET; THENCE, NORTH 18°10'30" WEST, A DISTANCE OF 30.62 FEET; THENCE, NORTH 30°22'24" WEST, A DISTANCE OF 51.26 FEET; THENCE, NORTH 38°22'25" WEST, A DISTANCE OF 150.48 FEET; THENCE, NORTH 37°48'17" WEST, A DISTANCE OF 100.40 FEET; THENCE, NORTH 42°56'51" WEST, A DISTANCE OF 100.00 FEET; THENCE, NORTH 46°50'49" WEST, A DISTANCE OF 71.47 FEET; THENCE, NORTH 79°42'44" WEST, A DISTANCE OF 25.32 FEET; THENCE, NORTH 86°30'43" WEST, A DISTANCE OF 100.08 FEET; THENCE, NORTH 78°02'40" WEST, A DISTANCE OF 101.79 FEET; THENCE, SOUTH 87°00'45" WEST, A DISTANCE OF 41.11 FEET; THENCE, SOUTH 39°29'16" WEST, A DISTANCE OF 24.21 FEET; THENCE, NORTH 40°20'04" WEST, A DISTANCE OF 46.76 FEET; THENCE, NORTH 88°48'09" WEST, A DISTANCE OF 212.98 FEET TO THE POINT OF BEGINNING.

LESS THE FOLLOWING DESCRIBED PARCEL OF LAND:

BEGIN AT THE NORTHWEST CORNER OF LOT 1 OF SAID BANYAN CAY RESORT COMMUNITY PLAT 1; THENCE, SOUTH 01°11'51" WEST, ALONG THE BOUNDARY OF SAID TRACT "O-1", A DISTANCE OF 1806.17 FEET; THENCE, SOUTH 43°48'09" EAST, CONTINUING ALONG SAID BOUNDARY OF TRACT "O-1" FOR THIS AND THE NEXT FIVE COURSES, A DISTANCE OF 48.26 FEET; THENCE, SOUTH 88°48'09" EAST, A DISTANCE OF 96.07 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE NORTHWEST, HAVING A RADIUS OF 23.00 FEET; THENCE, NORTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 78°47'39", A DISTANCE OF 31.63 FEET TO THE END OF SAID CURVE; THENCE, NORTH 68°15'43" EAST, A DISTANCE OF 24.16 FEET; THENCE, SOUTH 12°24'12" WEST, A DISTANCE OF 13.56 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE NORTHWEST, HAVING A RADIUS OF 43.00 FEET; THENCE, SOUTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 37°29'18", A DISTANCE OF 28.13 FEET TO A POINT ON THE BOUNDARY OF TRACT "A" OF SAID BANYAN CAY RESORT COMMUNITY PLAT 1, AND THE

END OF SAID CURVE; THENCE, NORTH 49°53'30" EAST, DEPARTING SAID BOUNDARY OF TRACT "O-1", AND ALONG SAID BOUNDARY OF TRACT "A", A DISTANCE OF 26.42 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE SOUTH, HAVING A RADIUS OF 116.00 FEET; THENCE, EASTERLY, ALONG SAID CURVE AND CONTINUING ALONG SAID BOUNDARY OF TRACT "A" FOR THIS AND THE NEXT FIVE COURSES, THROUGH A CENTRAL ANGLE OF 55°58'44", A DISTANCE OF 113.34 FEET TO THE POINT OF CUSP OF A CURVE CONCAVE NORTHEAST, HAVING A RADIUS OF 44.00 FEET AND WHOSE RADIUS POINT BEARS NORTH 15°52'14" EAST; THENCE, NORTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 49°29'31", A DISTANCE OF 38.01 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE SOUTHWEST, HAVING A RADIUS OF 501.00 FEET; THENCE, NORTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 15°32'39", A DISTANCE OF 135.92 FEET TO THE END OF SAID CURVE; THENCE, NORTH 43°48'09" WEST, A DISTANCE OF 162.02 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE EAST, HAVING A RADIUS OF 90.00 FEET; THENCE, NORTHERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 45°00'00", A DISTANCE OF 70.69 FEET TO THE POINT OF TANGENCY; THENCE, NORTH 01°11'51" EAST, A DISTANCE OF 64.63 FEET TO A POINT ON THE BOUNDARY OF SAID TRACT "L-2"; THENCE, SOUTH 88°48'09" EAST, DEPARTING SAID BOUNDARY OF TRACT "A", AND ALONG SAID BOUNDARY OF TRACT "L-2", A DISTANCE OF 205.00 FEET; THENCE, SOUTH 00°10'14" EAST, CONTINUING ALONG SAID BOUNDARY OF TRACT "L-2", A DISTANCE OF 29.57 FEET TO A POINT ON A CURVE CONCAVE EAST, HAVING A RADIUS OF 1909.70 FEET AND WHOSE RADIUS POINT BEARS NORTH 79°48'33" EAST; THENCE, SOUTHERLY, ALONG SAID CURVE AND CONTINUING ALONG SAID BOUNDARY OF TRACT "L-2", THROUGH A CENTRAL ANGLE OF 09°00'38", A DISTANCE OF 300.33 FEET TO A POINT ON THE BOUNDARY OF SAID TRACT "O-4"; THENCE, DEPARTING SAID BOUNDARY OF TRACT "L-2" AND ALONG SAID BOUNDARY OF TRACT "O-4", CONTINUE SOUTHERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 04°12'04", A DISTANCE OF 140.02 FEET TO THE POINT OF TANGENCY; THENCE, SOUTH 23°24'09" EAST, CONTINUING ALONG SAID BOUNDARY OF TRACT "O-4", A DISTANCE OF 121.33 FEET TO A POINT ON THE BOUNDARY OF SAID TRACT "L-4"; THENCE, CONTINUE SOUTH 23°24'09" EAST, DEPARTING SAID BOUNDARY OF TRACT "O-4", AND ALONG SAID BOUNDARY OF TRACT "L-4", A DISTANCE OF 193.67 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE NORTHEAST, HAVING A RADIUS OF 990.00 FEET; THENCE, SOUTHEASTERLY, ALONG SAID CURVE AND CONTINUING ALONG SAID BOUNDARY OF TRACT "L-4", THROUGH A CENTRAL ANGLE OF 15°18'57", A DISTANCE OF 264.64 FEET TO THE END OF SAID CURVE; THENCE, SOUTH 35°48'09" EAST, CONTINUING ALONG SAID BOUNDARY OF TRACT "L-4", A DISTANCE OF 116.18 FEET TO A POINT ON THE BOUNDARY OF SAID BANYAN CAY RESORT COMMUNITY PLAT 1 AND ON A CURVE CONCAVE NORTHWEST, HAVING A RADIUS OF 500.00 FEET AND WHOSE RADIUS POINT BEARS NORTH 25°20'48" WEST; THENCE, NORTHEASTERLY, DEPARTING SAID BOUNDARY OF TRACT "L-4", AND ALONG SAID PLAT BOUNDARY AND SAID CURVE, THROUGH A CENTRAL ANGLE OF 05°50'05", A DISTANCE OF 50.92 FEET TO THE POINT OF TANGENCY; THENCE, NORTH 58°49'07" EAST, CONTINUING ALONG SAID PLAT BOUNDARY, A DISTANCE OF 320.53 FEET TO A POINT ON THE BOUNDARY OF SAID TRACT "L-1" AND ON A CURVE CONCAVE NORTHEAST, HAVING A RADIUS OF 650.00 FEET AND WHOSE RADIUS POINT BEARS NORTH 36°21'58" EAST; THENCE, NORTHWESTERLY, DEPARTING SAID PLAT BOUNDARY, AND ALONG SAID BOUNDARY OF TRACT "L-1" AND SAID CURVE, THROUGH A CENTRAL ANGLE OF 30°13'53", A DISTANCE OF 342.96 FEET TO THE POINT OF TANGENCY; THENCE, NORTH 23°24'09" WEST, CONTINUING ALONG SAID BOUNDARY OF TRACT "L-1" FOR THIS AND ALL OF THE REMAINING COURSES, A DISTANCE OF 315.00 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE EAST, HAVING A RADIUS OF 1569.70 FEET; THENCE, NORTHERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 15°55'25", A DISTANCE OF 436.25 FEET TO THE POINT OF REVERSE CURVATURE OF A CURVE CONCAVE SOUTHWEST, HAVING A RADIUS OF 270.00 FEET; THENCE, NORTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 81°19'25", A DISTANCE OF 383.23 FEET TO THE POINT OF TANGENCY; THENCE, NORTH 88°48'09" WEST, A DISTANCE OF 259.16 FEET; THENCE, NORTH 01°11'51" EAST, A DISTANCE OF 174.00 FEET; THENCE, SOUTH 88°48'09" EAST, A DISTANCE OF 155.00 FEET; THENCE, SOUTH 75°53'17" EAST, A DISTANCE OF 104.65 FEET TO A POINT ON A CURVE CONCAVE WEST, HAVING A RADIUS OF 200.00 FEET AND WHOSE RADIUS POINT BEARS NORTH 15°58'16" EAST; THENCE, NORTHERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 210°08'26", A DISTANCE OF 733.53 FEET TO THE END OF SAID CURVE; THENCE, SOUTH 78°19'36" WEST, A DISTANCE OF 102.58 FEET; THENCE, NORTH 88°48'09" WEST,

A DISTANCE OF 155.00 FEET; THENCE, NORTH 01°11'51" EAST, A DISTANCE OF 234.00 FEET; THENCE, SOUTH 88°48'09" EAST, A DISTANCE OF 105.00 FEET; THENCE, SOUTH 69°33'43" EAST; A DISTANCE OF 105.92 FEET TO A POINT ON A CURVE CONCAVE WEST, HAVING A RADIUS OF 200.00 FEET AND WHOSE RADIUS POINT BEARS NORTH 30°12'36" EAST; THENCE, NORTHERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 209°00'45", A DISTANCE OF 729.59 FEET TO THE POINT OF TANGENCY; THENCE, NORTH 88°48'09" WEST, A DISTANCE OF 342.00 FEET TO THE POINT OF BEGINNING.

CONTAINING: 95.24 ACRES, MORE OR LESS.

SUBJECT TO EASEMENTS, RESERVATIONS, RESTRICTIONS AND RIGHTS-OF-WAY OF RECORD.

TABLE A

PROJECT COST ESTIMATES

BANYAN CAY COMMUNITY DEVELOPMENT DISTRICT

	ESTIMATED COSTS
<u>DRAINAGE and STORMWATER MANAGEMENT SYSTEM</u>	<u>\$ 1,402,000.00</u>
<u>WATER DISTRIBUTION SYSTEM</u>	<u>\$ 1,485,000.00</u>
<u>WASTEWATER COLLECTION SYSTEM</u>	<u>\$ 1,068,000.00</u>
<u>ROADWAY SYSTEM (On-Site and Off-Site)</u>	<u>\$ 1,046,000.00</u>
<u>EARTHWORK (Lake Excavation and Site Preparation)</u>	<u>\$ 1,257,130.00</u>
<u>IMPACT FEES FOR COUNTY ROADS and PARKS</u>	<u>\$ 180,000.00</u>
<u>CONNECTION FEES FOR WATER and SEWER</u>	<u>\$ 843,800.00</u>
<u>INSTALLATION FEES FOR POTABLE WATER ONLY</u>	<u>\$ 181,900.00</u>
<u>TOTAL ESTIMATED PROJECT COSTS *</u>	<u>\$ 7,463,830.00</u>

*Total Estimated Project Costs for the Phase One Assessment Area: \$5,859,132.60

TABLE B

BOND SIZING

BANYAN CAY COMMUNITY DEVELOPMENT DISTRICT

	BOND SIZING
Par Amount	\$ 6,895,000.00
Debt Service Reserve Fund (DSRF)	\$ (400,000.00)
Capitalized Interest (through 11/1/21)	\$ (234,725.90)
Issuance Costs	\$ (401,141.50)
Construction Funds	\$ 5,859,132.60
Bond Interest Rate (Average Coupon)	3.98%
Principal Amortization Period (Years)	30

TABLE C

ALLOCATION OF PROJECT BENEFITS

BANYAN CAY COMMUNITY DEVELOPMENT DISTRICT

Development Plan - Type of Use	Number of Units by Type	ERU Factor*	Total ERUs*	Project Cost Allocation Per Type*	Project Cost Allocation Per Unit*
Estate Home Unit	52	1.00	52	\$1,631,829	\$31,381.33
Hotel Unit/Room	150	1.00	150	\$4,707,200	\$31,381.33
Resort Villa Unit	22	0.80	18	\$552,311	\$25,105.07
Clubhouse Component Unit	18,243 SqFt	0.001	18.243	\$572,490	\$41.15 Per SqFt
Total Units	N/A	N/A	237.84	\$ 7,463,830.00**	N/A

*Rounded

**Total Estimated Project Costs for the Phase One Assessment Area: \$5,859,132.60

TABLE D

ALLOCATION OF BOND DEBT

BANYAN CAY COMMUNITY DEVELOPMENT DISTRICT

Development Plan Type of Use	Number of Units by Type	ERU Factor*	Total ERUs*	Bond Debt Allocation Per Unit Type*	Bond Debt Allocation Per Unit*
Estate Home Unit	52	1.00	52	\$1,507,465	\$28,989.71
Hotel Unit/Room	150	1.00	150	\$4,348,457	\$28,989.71
Resort Villa Unit	22	0.80	18	\$510,219	\$23,191.77
Clubhouse Component	18,243 SqFt	0.001	18.24	\$528,859	\$28.99 per SqFt
Total Units	N/A	N/A	237.84	\$6,895,000	N/A

*Rounded

TABLE E

CALCULATION OF ANNUAL DEBT SERVICE ASSESSMENT

BANYAN CAY COMMUNITY DEVELOPMENT DISTRICT

	Bond Debt
1 Maximum Annual Debt Service	\$ 400,000.00
2 Maximum Annual Debt Service Assessment to be Collected	\$ 425,531.91
3 Total Number of Gross Acres	92.03
4 Total Number of Residential Units/Hotel Rooms Planned	403
5 Total Number of Recreation/Amenity Square Feet Space	18,243
6 Maximum Annual Debt Service per Unit Type	See Table F

*Grossed up to include 1% collection fee of the County Tax Collector, 1% service fee of the County Property Appraiser and 4% for early payment of taxes. These costs may not apply if the special assessments securiung the Bonds are being direct billed.

TABLE F**ALLOCATION OF DEBT SERVICE ASSESSMENTS****BANYAN CAY COMMUNITY DEVELOPMENT DISTRICT**

Development Plan Type of Use	Number of Units by Type	ERU Factor*	Total ERUs*	**Maximum Annual Debt Assessment Per Unit*	**Maximum Annual Debt Assessment Per Unit Type*
Estate Home Unit	52	1.000	52	\$1,789	\$93,035
Hotel Unit/Room	150	1.000	150	\$1,789	\$268,369
Resort Villa Unit	22	0.800	18	\$1,431	\$31,489
Clubhouse Component	18,243 SqFt	0.001	18	\$1.79 per SqFt	\$32,639
Total Units	N/A	N/A	237.84	N/A	\$425,532

*Rounded

**Grossed up to include 1% collection fee of the County Tax Collector, 1% service fee of the County Property Appraiser and 4% for early payment of taxes. These costs may not apply of the special assessments securing the Bonds are being direct billed.

Parcel Description	Acreage*	Par Debt/Acre
Banyan Cay	92.03	\$ 74,921.22

*Acreage for Phase One Assessment Area