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VILLAGE OF ESTERO, FLORIDA

RESOLUTION NO. 2019 - 01

A RESOLUTION OF THE VILLAGE COUNCIL OF THE VILLAGE OF ESTERO, FLORIDA, AUTHORIZING THE ISSUANCE OF ITS NOT TO EXCEED \$20,000,000 TAXABLE REVENUE NOTE, SERIES 2019, FOR THE PURPOSE OF FINANCING, IN PART, THE COST OF PURCHASING CERTAIN PARCELS OF LAND, AS MORE FULLY DESCRIBED HEREIN; AUTHORIZING THE NEGOTIATED SALE OF SUCH NOTE TO CAPITAL BANK, A DIVISION OF FIRST TENNESSEE BANK NATIONAL ASSOCIATION, PURSUANT TO THE TERMS AND CONDITIONS OF A LOAN AGREEMENT BY AND AMONG THE FLORIDA MUNICIPAL LOAN COUNCIL, THE VILLAGE OF ESTERO, FLORIDA, AND CAPITAL BANK, A DIVISION OF FIRST TENNESSEE BANK NATIONAL ASSOCIATION; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF THE LOAN AGREEMENT; MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE ISSUANCE OF SUCH NOTE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on October 17, 2018, the Village of Estero, Florida (the "Issuer") adopted Resolution No. 2018-18 authorizing the purchase of approximately 62.2 acres adjacent to the Estero River (the "Project"); and

WHEREAS, the Estero River is an important tributary to the Estero Bay and is designated an "Outstanding Florida Waters" by the Florida Department of Environmental Protection (the "FDEP"). The Project will protect the Estero River and its banks from development, thereby protecting the natural attributes of the Estero River; and

WHEREAS, the Estero River is listed on the FDEP's "Statewide Comprehensive Verified List of Impaired Waters" for impairments with dissolved oxygen, fecal coliform, iron, and nutrients. The Project will protect the Estero River and its banks from development, thereby protecting waters of the Estero River from additional pollutants; and

WHEREAS, the Estero River consists of indigenous vegetative communities and heritage trees, which provide habitat for numerous native and protected bird, mammal, fish, and reptile species. The Project will protect and preserve the habitat for native species and heritage trees; and

45 **WHEREAS**, the land adjacent to the Estero River are also known to contain
46 archeological sites and artifacts of the Koreshan Unity Settlement. The Project complies with
47 Policy 19.1.5.c of the Estero Transitional Comprehensive Plan by protecting and preserving
48 the Issuer's unique historical and cultural resources related to the Old Estero area and the
49 Koreshans; and

50
51 **WHEREAS**, the Florida Greenways and Trails Council formally recognized the
52 economic value of trails and greenways to the State of Florida (the "State"). Parks, trails, and
53 greenways have been found to increase property values, increase municipal revenues, and
54 increase tourism dollars. In addition, the Center for Disease Control and Prevention report that
55 parks and trails can improve health through increased physical activity, improve mental health,
56 and provide safe places for exercise. There is a need for additional parks and greenspace
57 located within the boundaries of the Issuer. The Project provides opportunities for greenway
58 trails that offer hiking and biking, access to the Great Calusa Blueway Trail for paddling and
59 canoeing, and for future bicycle and pedestrian connections between the Koreshan State
60 Historic Site, the Koreshan State Park, the Estero Bay Preserve State Park, the Estero
61 Community Park, the Hapnehatchee Center, the proposed Village Center, and the proposed
62 CSX railway trail; and

63
64 **WHEREAS**, the Project provides opportunities for future municipal use and facilities;
65 and

66
67 **WHEREAS**, it is necessary, desirable, and in the best interest of the Issuer and its
68 citizens, visitors, property owners, and workers, to finance and complete the Project, and the
69 financing and completion of the Project will serve a paramount public purpose for the reasons
70 described above; and

71
72 **WHEREAS**, participating governmental units have created the Florida Municipal
73 Loan Council (the "Council") pursuant to a certain Interlocal Agreement and pursuant to
74 Chapter 163, Part I, Florida Statutes, for the purpose of issuing its bonds to make loans to
75 participating governmental units for qualified projects; and

76
77 **WHEREAS**, the Issuer is a municipal corporation duly created and existing pursuant
78 to the Constitution and laws of the State; and

79
80 **WHEREAS**, the Issuer is authorized pursuant to the provisions of the Constitution of
81 the State, Chapter 159, Part VII, Florida Statutes, Chapter 166, Florida Statutes, the Charter of
82 the Issuer, and other applicable provisions of law, each as amended, to borrow funds to
83 finance the costs of the Project (the "Loan"); and

84
85 **WHEREAS**, it is determined to be in the best interest of the Issuer to issue its not to
86 exceed \$20,000,000 Village of Estero, Florida Taxable Revenue Note, Series 2019 (the "Note")
87 pursuant to a Loan Agreement by and among the Issuer, the Council, and Capital Bank, a
88 Division of First Tennessee Bank National Association (the "Lender"), in substantially the

form attached hereto as Exhibit A (the "Loan Agreement"), to finance the costs of the Project and pay the transaction costs associated with the issuance of the Note; and

WHEREAS, debt service on the Note and any other amounts due under the Loan Agreement will be secured by a covenant to budget and appropriate legally available non-ad valorem revenues of the Issuer (the "Non-Ad Valorem Revenues"), as further described in this Resolution and in the Loan Agreement; and

WHEREAS, the Non-Ad Valorem Revenues are estimated to be sufficient to pay all principal of, premium, if any, and interest on the Note, as the same becomes due, and to make all deposits or payments required by this Resolution and the Loan Agreement; and

WHEREAS, due to the present volatility of the market for public obligations such as the Note, the need to access such market very quickly, the willingness of the Lender to purchase the Note at an interest rate favorable to the Issuer, and the critical importance of timing of the issuance of the Note, the Issuer has determined to issue the Note on a negotiated basis to the Lender; and

WHEREAS, it is hereby ascertained, determined, and declared that it is in the best interest of the Issuer to authorize the Mayor, or his or her duly authorized designee, to accept the offer from the Lender to extend credit to the Issuer by obtaining a loan evidenced by the Note upon the terms and conditions set forth this Resolution, the Loan Agreement, and in the term sheet, dated November 14, 2018, as amended, submitted by the Lender with respect to the Note, a copy of which is attached hereto as Exhibit B (the "Loan Commitment"); and

WHEREAS, the Issuer will be provided all applicable disclosure information by the Lender as required by Section 218.385, Florida Statutes; and

WHEREAS, the Note shall not constitute a general obligation, or a pledge of the faith, credit or taxing power of the Issuer, the State, or any political subdivision thereof, within the meaning of any constitutional or statutory provisions. Neither the State, nor any political subdivision thereof, nor the Issuer shall be obligated to (A) exercise its ad valorem taxing power in any form on any real or personal property of or in the Issuer to pay the principal of, prepayment premium, if any, and interest on the Note, or any other amounts due under the Loan Agreement, or (B) to pay the same from any other funds of the Issuer except from the Non-Ad Valorem Revenues budgeted and appropriated, all in the manner provided in this Resolution and the Loan Agreement. The Note shall not constitute a lien on any property owned or situated within the limits of the Issuer.

NOW, THEREFORE, be it resolved by the Village Council of the Village of Estero, Florida (the "Village Council"):

Section 1. Adoption of Representations. The foregoing Whereas paragraphs are hereby ratified and confirmed as being true, and the same are hereby made a specific part of this Resolution.

134 **Section 2. Authority.** This Resolution is adopted pursuant to the Constitution of
135 the State, Chapter 159, Part VII, Florida Statutes, Chapter 166, Florida Statutes, the Charter of
136 the Issuer, and other applicable provisions of law, each as amended (collectively, the "Act").
137

138 **Section 3. Authorization of the Project.** The Issuer does hereby authorize the
139 completion of the Project.
140

141 **Section 4. Authorization of the Loan Agreement.** To provide for the security of
142 the Note and to express the contract between the parties thereto, the Issuer does hereby
143 authorize and direct the Mayor or Deputy Mayor of the Issuer, or their duly authorized designee
144 (the "Mayor"), as attested by the Village Clerk of the Issuer, or his or her duly authorized
145 designee (the "Village Clerk"), and approved as to form by the Village Attorney, or his or her
146 duly authorized designee (the "Village Attorney"), if required, to execute and deliver the Loan
147 Agreement and to undertake all actions in respect to the Loan Agreement, which is in
148 substantially the form attached hereto as Exhibit A, with such changes, amendments,
149 modifications, deletions, and additions as may be approved by the Mayor, the execution thereof
150 being conclusive evidence of such approval.
151

152 **Section 5. Authorization of the Note.** Subject and pursuant to the provisions of
153 this Resolution and the terms and provisions of the Loan Agreement, an obligation of the Issuer
154 to be designated as "Village of Estero, Florida Taxable Revenue Note, Series 2019" is hereby
155 authorized to be issued, which Note shall secure amounts outstanding under the Loan
156 Agreement and will be repaid in accordance with the terms of the Loan Agreement. The
157 proceeds of the Note shall be used for the principal purpose of financing all or a portion of the
158 costs of the Project and paying certain costs of issuance incurred with respect to the Loan,
159 which such costs shall include costs of issuance incurred by the Issuer, the Council, the Florida
160 League of Cities, Inc. administrative fees, and other ongoing costs.
161

162 **Section 6. Description of the Note.**
163

164 (A) The Note is to be issued as a single, fully registered note in a principal amount
165 of \$20,000,000, or such other amount equal to or less than \$20,000,000, as agreed to by the
166 Issuer and the Lender; shall be dated its date of delivery and shall mature on May 1, 2029. The
167 Note shall bear an interest rate of 4.01% per annum, and shall be payable on each May 1 and
168 November 1, commencing May 1, 2019, and thereafter until the principal amount of the Note
169 has been paid. Interest shall be calculated on the basis of a 360-day year consisting of 12
170 months of 30 days each. Principal shall be payable on May 1, commencing on May 1, 2019,
171 and thereafter, and on the Maturity Date in the amortization installments set forth in the Note.
172

173 (B) The Note shall be subject to optional and extraordinary prepayment as set forth
174 in the Loan Agreement.
175

176 **Section 7. Execution of the Note.** The Note shall be executed in the name of the
177 Issuer with the manual or facsimile signature of the Mayor, and the official seal of the Issuer
178 shall be imprinted thereon, attested, and countersigned with the manual or facsimile signature

of the Village Clerk, and approved as to form by the Village Attorney, if necessary. In case any one or more of the officers who shall have signed or sealed any of the Note, or whose facsimile signature shall appear thereon, shall cease to be such officer of the Issuer before the Note so signed and sealed have been actually sold and delivered, such Note may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Note had not ceased to hold such office. The Note may be signed and sealed on behalf of the Issuer by such person who at the actual time of the execution of such Note shall hold the proper office of the Issuer, although, at the date of such Note, such person may not have held such office or may not have been so authorized. The Issuer may adopt and use for such purposes the facsimile signatures of any such persons who shall have held such offices at any time after the date of the adoption of this Resolution, notwithstanding that either or both shall have ceased to hold such office at the time the Note shall be actually sold and delivered.

Section 8. Form of the Note. The text of the Note shall be in substantially the form set forth on Exhibit C of the Loan Agreement with such changes, amendments, modifications, deletions, and additions as may be approved by the Mayor, the execution thereof being conclusive evidence of such approval.

Section 9. Negotiated Sale of the Note.

(A) Due to the present volatility of the market for public obligations such as the Note, the need to access such market very quickly, the willingness of the Lender to purchase the Note at an interest rate favorable to the Issuer, and the critical importance of timing of the issuance of the Note, the Issuer has determined to issue the Note on a negotiated basis to the Lender.

(B) Prior to the issuance of the Note, the Issuer shall receive from the Lender a Lender's Certificate, substantially in the form attached hereto as Exhibit C and a Disclosure Letter containing the information required by section 218.385, Florida Statutes, substantially in the form attached hereto as Exhibit D.

Section 10. Payment of the Note; Limited Obligation.

(A) The principal of, prepayment premium, if any, and interest on the Note shall be secured by a covenant to budget and appropriate legally available Non-Ad Valorem Revenues in accordance with this Resolution and the Loan Agreement.

(B) THE FULL FAITH AND CREDIT OF THE ISSUER, THE STATE, OR ANY POLITICAL SUBDIVISION THEREOF, ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL, PREPAYMENT PREMIUM, IF ANY, AND INTEREST ON THE NOTE, AND ALL OTHER AMOUNTS DUE UNDER THE LOAN AGREEMENT, AND HOLDERS SHALL NEVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF ANY TAXING POWER OF THE ISSUER, THE STATE, OR ANY POLITICAL SUBDIVISION THEREOF, TO THE PAYMENT OF SUCH PRINCIPAL, PREPAYMENT PREMIUM, IF ANY, OR INTEREST, OR ALL OTHER AMOUNTS DUE

224 UNDER THE LOAN AGREEMENT. THE NOTE AND THE OBLIGATION EVIDENCED
225 THEREBY SHALL NOT CONSTITUTE A LIEN UPON ANY PROPERTY OF THE
226 ISSUER, AND SHALL BE PAYABLE SOLELY FROM THE NON-AD VALOREM
227 REVENUES ACTUALLY BUDGETED AND APPROPRIATED FOR SUCH PURPOSE,
228 ALL IN THE MANNER AND TO THE EXTENT DESCRIBED IN THIS RESOLUTION
229 AND THE LOAN AGREEMENT. THE NOTE SHALL NOT BE OR CONSTITUTE
230 GENERAL OBLIGATIONS OR INDEBTEDNESS OF THE ISSUER AS "BONDS"
231 WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION.
232

233 **Section 11. Other Instruments.** The Mayor, the Village Clerk, the Village
234 Manager, the Village Finance Director, the Village Attorney, and other officers, attorneys, and
235 other agents and employees of the Issuer are hereby authorized to perform all acts and things
236 required of them by this Resolution and the Loan Agreement or desirable or consistent with
237 the requirements thereof and hereof, for the full, punctual, and complete performance of all of
238 the terms, covenants, and agreements contained in the Note, this Resolution, and the Loan
239 Agreement, and they are hereby authorized to execute and deliver all documents which shall
240 be required by note counsel, the Financial Advisor, or the Council to effectuate the issuance of
241 the Note. All action taken to date by the officers, attorneys, and any other agents and employees
242 of the Issuer in furtherance of the issuance of the Note is hereby approved, confirmed, and
243 ratified.
244

245 **Section 12. Severability and Invalid Provisions.** If any one or more of the
246 covenants, agreements, or provisions herein contained shall be held contrary to any express
247 provision of law or contrary to the policy of express law, though not expressly prohibited, or
248 against public policy, or shall for any reason whatsoever be held invalid, then such covenants,
249 agreements, or provisions shall be null and void and shall be deemed separable from the
250 remaining covenants, agreements, or provisions and shall in no way affect the validity of any
251 of the other provisions hereof.
252

253 **Section 13. Effective Date.** This Resolution shall take effect immediately upon its
254 passage.

255 **ADOPTED BY THE VILLAGE COUNCIL** of the Village of Estero, Florida this 9th
256 day of January, 2019.
257

258 Attest:

VILLAGE OF ESTERO, FLORIDA

259
260
261 By: Kathy Hall
262 Kathy Hall, MMC, Village Clerk
263

By: James R. Boesch
James R. Boesch, Mayor

264 Reviewed for legal sufficiency:

265
266
267 By: Burt H. Saunders
268 Burt Saunders, Esq., Village Attorney

EXHIBIT A
FORM OF LOAN AGREEMENT

LOAN AGREEMENT

by and among

CAPITAL BANK,
a Division of First Tennessee Bank National Association,

FLORIDA MUNICIPAL LOAN COUNCIL,

and

VILLAGE OF ESTERO, FLORIDA

Dated as of January 1, 2019

VILLAGE OF ESTERO, FLORIDA
TAXABLE REVENUE NOTE, SERIES 2019

This Instrument Prepared By:

Jason M. Breth, Esquire
Bryant Miller Olive P.A.
101 North Monroe Street, Suite 900
Tallahassee, Florida 32301

and

JoLinda Herring, Esquire
Bryant Miller Olive P.A.
SunTrust International Center
1 SE 3rd Avenue, Suite 2200
Miami, Florida 33131

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LOAN AGREEMENT

This Loan Agreement (the "Loan Agreement") dated as of January 1, 2019, and entered into among CAPITAL BANK, a Division of First Tennessee Bank National Association, and its successors and assigns (the "Lender"), the FLORIDA MUNICIPAL LOAN COUNCIL (the "Council"), a separate legal entity and public body corporate and politic duly created and existing under the Constitution and laws of the State, and the VILLAGE OF ESTERO, FLORIDA (the "Borrower"), a duly constituted municipality under the laws of the State.

WITNESSETH:

WHEREAS, the Council is a separate legal entity and public body corporate and politic duly created and existing under the laws of the State of Florida (the "State") organized and existing under and by virtue of the Interlocal Agreement by and among, initially, the City of DeLand, Florida, the City of Rockledge, Florida, and the City of Stuart, Florida, as amended and supplemented, together with the additional governmental entities who become members of the Council, in accordance with Chapter 163, Part I, Florida Statutes, as amended (the "Interlocal Act"); and

WHEREAS, the Council has determined that there is substantial need within the State for a financing program (the "Program"), which will provide or otherwise arrange for funds for qualifying projects for the participating local governments; and

WHEREAS, the Council has determined that the public interest will best be served and that the purposes of the Interlocal Act can be more advantageously obtained by the Council's administering the Program whereby funds are provided by a qualified lending institution and loaned directly to the participating local government to finance, refinance, or reimburse the costs of qualifying projects and secured by a debt obligation issued by the participating local government; and

WHEREAS, the Borrower is authorized under and pursuant to the Act and the Resolution, to enter into this Loan Agreement and issue the Note for the purposes set forth herein; and

WHEREAS, pursuant to the authority of the Act, the Council desires to assist the Borrower in participating in the Program to provide a loan secured by the Note issued by the Borrower in an amount necessary to enable the Borrower to finance or reimburse the Costs of the Project; and

WHEREAS, pursuant to the authority of the Act and the Resolution, the Borrower (i) desires the Council facilitate the purchase of the Note by the Lender, which such Note is issued by the Borrower, and (ii) to borrow such amount subject to the terms and conditions of and for the purposes set forth in this Loan Agreement; and

WHEREAS, the Borrower has determined that it is necessary, desirable, and in the best interests of the Borrower and its citizens, visitors, property owners, and workers, and to serve a paramount public purpose that the Project be financed and completed; and

WHEREAS, the Council and the Borrower have determined that the lending of funds by the Lender to the Borrower pursuant to the terms of this Loan Agreement will assist in the development and maintenance of the public welfare of the residents of the State and the areas served by the Borrower, and shall serve a paramount public purpose by improving the health and living conditions, and providing adequate governmental services, facilities, and programs and will promote the most efficient and economical development of such services, facilities, and programs in the State; and

WHEREAS, the Borrower has determined that a covenant to budget and appropriate Non-Ad Valorem Revenues shall secure the Borrower's obligations under this Loan Agreement and the Note; and

WHEREAS, neither the Council, the Borrower, nor the State or any political subdivision thereof, shall in any way be obligated to pay the principal of, premium, if any, or interest on the Note, except that the Note shall be payable by the Borrower and secured solely from the funds and revenues pledged under and pursuant to this Loan Agreement, as the same shall become due, and the issuance of the Note hereunder shall not directly, indirectly, or contingently obligate the Borrower, the State, or any political subdivision or municipal corporation thereof to levy or pledge any form of ad valorem taxation for their payment; and

WHEREAS, the Lender is willing to extend credit to the Borrower by paying a purchase price for the Note as set forth herein in order to provide the funds to finance the Loan.

NOW, THEREFORE, for and in consideration of the premises hereinafter contained, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01. DEFINITIONS.

Unless the context or use indicates another meaning or intent, the following words and terms as used in this Loan Agreement shall have the following meanings, and any other hereinafter defined words and terms, shall have the meanings as therein defined.

"Accountant" means the independent certified public accountant or firm of independent certified public accountants employed by the Borrower under the provisions of this Loan

Agreement to perform and carry out the duties imposed on the Accountant by this Loan Agreement.

"Act" means, collectively, to the extent applicable to the Borrower, Article VIII, Section 2 of the Florida Constitution; Chapter 125, Florida Statutes; Chapter 159, Part VII, Florida Statutes; Chapter 166, Florida Statutes; and other applicable provisions of law, each as amended.

"Additional Payments" means payments required by Section 5.02 hereof.

"Administration Fee" means the fee by that name described in Section 4.04 hereof.

"Audit" means the audited financial statements of the Borrower.

"Authorized Representative" means, when used pertaining to the Council, the Chairman of the Council and such other designated members, agents, or representatives as may hereafter be selected by Council resolution; and, when used with reference to the Borrower, means the person performing the functions of the Mayor or Vice Mayor thereof or other officer authorized to exercise the powers and perform the duties of the Mayor; and, when used with reference to an act or document, also means any other person authorized by resolution or ordinance to perform such act or sign such document.

"Balloon Indebtedness" means Debt, 25% or more of the original principal of which matures during any one Fiscal Year.

"Basic Payments" means the payments denominated as such in Section 5.01 hereof.

"Borrower" means the Village of Estero, Florida, a Florida municipal corporation.

"Business Day" means any day of the year which is not a Saturday or Sunday or a day on which banking institutions located in New York City or the State are required or authorized to remain closed or on which such banking institutions or the New York Stock Exchange are closed.

"Costs" means all or a portion of the costs of undertaking the Project including, but not limited to: the purchase price of any project acquired; the cost of constructing or acquiring improvements; the cost of construction, extension, or enlargement; the cost of all lands, properties, rights, easements and franchises acquired; the cost of all machinery and equipment, financing charges, interest during construction; and, if deemed advisable, for one year after completion of construction, cost of investigations, audits, and engineering and legal services; and all other expenses necessary or incident to determining the feasibility or practicability of such acquisition or construction, administrative expense, and such other expenses as may be necessary or incident to the financing herein authorized and to the acquisition or construction,

of a project and the placing of the same in operation. Any obligation or expense incurred by the Borrower prior to the issuance of notes for engineering studies and for estimates of cost and of revenues, and for other technical, financial, or legal services in connection with the acquisition or construction of any project, may be regarded as a part of the cost of such project.

"Certificate," "Statement," "Request," "Requisition," and "Order" of the Council means, respectively, a written certificate, statement, request, requisition, or order signed in the name of the Council by its Chairman, Program Administrator, or such other person as may be designated and authorized to sign for the Council; or of the Borrower means, respectively, a written certificate, statement, request, requisition, or order signed in the name of the Borrower by its Mayor or Vice Mayor, or such other person as may be designated and authorized to sign for the Borrower. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion, or representation, and the two or more so combined shall be read and construed as a single instrument.

"Closing" means the closing of the Loan pursuant to this Loan Agreement.

"Project Fund" means the special fund of the Borrower designated "Village of Estero, Florida Taxable Revenue Note, Series 2019, Project Fund" established pursuant to Section 2.02(b) hereof.

"Council" means the Florida Municipal Loan Council.

"Counsel" means an attorney duly admitted to practice law before the highest court of the State and, without limitation, may include legal counsel for either the Council, the Lender, or the Borrower.

"Debt" means at any date (without duplication) all of the following to the extent that they are guaranteed or secured by or payable in whole or in part from any Non-Ad Valorem Revenues (a) all obligations of the Borrower for borrowed money or evidenced by bonds, debentures, notes, or other similar instruments; (b) all obligations of the Borrower to pay the deferred purchase price of property or services, except trade accounts payable under normal trade terms and which arise in the ordinary course of business; (c) all obligations of the Borrower as lessee under capitalized leases; and (d) all indebtedness of other Persons to the extent guaranteed by, or secured by, the Non-Ad Valorem Revenues of the Borrower; provided, however, if with respect to any obligation contemplated in (a), (b), or (c) above, the Borrower has covenanted to budget and appropriate sufficient Non-Ad Valorem Revenues to satisfy such obligation but has not secured such obligation with a lien on or pledge of any Non-Ad Valorem Revenues then, and with respect to any obligation contemplated in (d) above, such obligation shall not be considered "Debt" for purposes of this Loan Agreement unless the Borrower has actually used Non-Ad Valorem Revenues to satisfy such obligation during the immediately preceding Fiscal Year or reasonably expects to use Non-Ad Valorem Revenues to satisfy such

obligation in the current or immediately succeeding Fiscal Year. After an obligation is considered "Debt" as a result of the proviso set forth in the immediately preceding sentence, it shall continue to be considered "Debt" until the Borrower has not used any Non-Ad Valorem Revenues to satisfy such obligation for two consecutive Fiscal Years.

"Debt Service Fund" means the special fund of the Borrower designated "Village of Estero, Florida Taxable Revenue Note, Series 2019 Debt Service Fund" established pursuant to Section 2.02(b) hereof.

"Default" means an event or condition the occurrence of which would, with the lapse of time or the giving of notice or both, become an Event of Default.

"Event of Default" shall have the meaning ascribed to such term in Section 8.01 of this Loan Agreement.

"Fiscal Year" means the period commencing on October 1 of each year and continuing through the next succeeding September 30, or such other period as may be prescribed by law.

"Governmental Funds" means all of the "governmental funds" of the Borrower as described and identified in the Audit.

"Governmental Funds Revenues" means total revenues of the Borrower derived from any source whatsoever and that are allocated to and accounted for in the Governmental Funds as shown in the Audit.

"Governmental Obligations" means (i) non-callable direct obligations of the United States of America ("Treasuries"), (ii) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, or (iii) any combination of the foregoing.

"Interest Account" means the separate account in the Debt Service Fund established pursuant to Section 2.02(b) hereof.

"Interest Payment Date" means May 1 and November 1 of each year, commencing May 1, 2019.

"Interest Period" means the semi-annual period between Interest Payment Dates.

"Interlocal Act" means Chapter 163, Part I, Florida Statutes.

"Interlocal Agreement" means that certain Interlocal Agreement originally dated as of December 1, 1998, initially by and among the City of Stuart, Florida, the City of Rockledge, Florida, and the City of DeLand, Florida, together with the additional governmental entities who become members of the Council, all as amended and supplemented from time to time.

"Loan" means the Loan made to the Borrower from proceeds of the Note in order to finance or reimburse the Costs of the Project in the amount specified in Section 3.01 herein.

"Loan Agreement" means this Loan Agreement and any amendments and supplements hereto.

"Loan Repayments" means the payments of principal and interest and other payments payable by the Borrower pursuant to the provisions of this Loan Agreement, including, without limitation, Additional Payments.

"Loan Term" means the term of the Loan provided for in Article IV of this Loan Agreement.

"Maturity Date" means May 1, 2029.

"Maximum Rate" means the maximum rate of interest permitted for unrated governmental bonds as set forth in Section 215.84(3), Florida Statutes, as may be amended from time to time.

"Mayor" means the Mayor of the Borrower, or in his or her absence or inability to act, the Vice Mayor of the Borrower or such other person as may be duly authorized by the Village Council to act on his or her behalf.

"Non-Ad Valorem Revenues" means all Governmental Funds Revenues of the Borrower other than revenues generated from ad valorem taxation on real or personal property, and which are legally available to make the Loan Repayments, but only after provision has been made by the Borrower (from any source of Governmental Funds Revenues) for the payment of all essential or legally mandated services.

"Note" means the \$20,000,000 Village of Estero, Florida Taxable Revenue Note, Series 2019.

"Note Counsel" means Bryant Miller Olive P.A. or any other attorney at law or firm of attorneys, of nationally recognized standing in matters pertaining to the exclusion from gross income for federal income tax purposes of interest on obligations issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

"Note Year" means a 12-month period beginning on May 2 and ending on and including the following May 1, except for the first period which begins on January 14, 2019.

"Noteholder," "Holder," "holder of the Note," "Owner," "owner of the Note," "Lender," or any similar term, when used with reference to the Note, means any person who shall be the registered owner of the outstanding Note as provided in the registration books of the Borrower.

"Permitted Investments" means any investments authorized pursuant to the laws of the State and the Borrower's written investment policy, if any.

"Person" means an individual, a corporation, a partnership, an association, a trust, or any other entity or organization including a government or political subdivision or an agency or instrumentality thereof.

"Prepayment Fund" means the special fund of the Borrower designated "Village of Estero, Florida Taxable Revenue Note, Series 2019, Prepayment Fund" established pursuant to Section 2.02(b) hereof.

"Principal Account" means the separate account in the Debt Service Fund established pursuant to Section 2.02(b) hereof.

"Principal Payment Date" means May 1, 2019, and thereafter each May 1 through the Maturity Date.

"Program" means the Council's program of making or arranging for loans under the Act for financing, refinancing, or reimbursing a qualifying project.

"Program Administrator" means the Florida League of Cities, Inc., a non-profit Florida corporation.

"Project" means a governmental undertaking approved by the governing body of the Borrower for a public purpose, as more specifically detailed on Exhibit A hereof, and as may be amended from time to time in accordance with this Loan Agreement.

"Resolution" means Resolution No. 2019-____, adopted by the Borrower on January 9, 2019, as may be amended and supplemented from time to time, or its successor in function.

"State" means the State of Florida.

"Village Clerk" means the Village Clerk of the Borrower or assistant or deputy Village Clerk of the Borrower, or such other person as may be duly authorized by the Village Council to act on his or her behalf.

"Village Council" means the governing body of the Borrower.

"Village Manager" means the Village Manager of the Borrower or any assistant or deputy Village Manager of the Borrower, or such other person as may be duly authorized by the Village Council to act on his or her behalf.

SECTION 1.02. USES OF PHRASES.

Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words "Note," "Noteholder," "Owner," and "Person" shall include the plural as well as the singular number, and the word "Person" shall include corporations and associations, including public bodies, as well as persons.

ARTICLE II

REPRESENTATIONS, WARRANTIES, AND COVENANTS OF BORROWER AND COUNCIL

SECTION 2.01. REPRESENTATIONS, WARRANTIES, AND COVENANTS.

The Borrower represents, warrants, and covenants on the date hereof for the benefit of the Council and the Lender, as applicable, as follows:

(a) Organization and Authority. The Borrower:

(1) is a duly organized and validly existing municipality of the State;
and

(2) has all requisite power and authority to own and operate its properties, to finance or be reimbursed for the Project, to covenant to budget and appropriate the Non-Ad Valorem Revenues, and to carry on its activities as now conducted and as presently proposed to be conducted.

(b) Full Disclosure. There is no fact that the Borrower knows of which has not been specifically disclosed in writing to the Council and the Lender that materially and adversely affects or, except for pending or proposed legislation or regulations that are a matter of general public information affecting the State municipalities generally, that will materially adversely affect the properties, activities, prospects, or condition (financial or otherwise) of the Borrower or the ability of the Borrower to perform its obligations under this Loan Agreement.

The Audit, including, but not limited to the Audit for the Fiscal Year ended September 30, 2017, financial statements, balance sheets, and any other written

statement furnished by the Borrower to the Council and the Lender were prepared in accordance with Generally Accepted Account Principles ("GAAP") and, to the best of their knowledge, do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein or herein not misleading. There is no fact known to the Borrower which the Borrower has not disclosed to the Council and the Lender in writing which materially adversely affects or is likely to materially adversely affect the financial condition of the Borrower, or its ability to make the payments under this Loan Agreement when and as the same become due and payable.

(c) Pending Litigation. There are no proceedings pending, or to the knowledge of the Borrower threatened, against or affecting the Borrower, except as specifically described in writing to the Council and the Lender, in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would materially and adversely affect the properties, prospects, or condition (financial or otherwise) of the Borrower, or the existence or powers or ability of the Borrower to enter into and perform its obligations under this Loan Agreement.

(d) Borrowing Legal and Authorized. The execution and delivery of this Loan Agreement and the consummation of the transactions provided for in this Loan Agreement and compliance by the Borrower with the provisions of this Loan Agreement:

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

(2) do not and will not (i) conflict with or result in any material breach of any of the terms, conditions, or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge, or encumbrance upon any property or assets of the Borrower pursuant to any indenture, loan agreement, or other agreement or instrument (other than this Loan Agreement) or restriction to which the Borrower is a party or by which the Borrower, its properties, or operations are bound as of the date of this Loan Agreement; or (ii) with the giving of notice or the passage of time or both, constitute a breach or default or so result in the creation or imposition of any lien, charge, or encumbrance, which breach, default, lien, charge, or encumbrance (described in (i) or (ii)) could materially and adversely affect the validity or the enforceability of this Loan Agreement or the Borrower's ability to perform fully its obligations under this Loan Agreement, nor does such action result in any violation of the provisions of the Act, the Resolution, or any laws, ordinances, governmental rules or regulations, or court orders to which the Borrower, its properties, or operations may be bound.

(e) No Defaults. No event has occurred and no condition exists that constitutes an Event of Default, or which, upon the execution and delivery of this Loan Agreement and/or the passage of time or giving of notice or both, would constitute an Event of Default. The Borrower is not in violation in any material respect, and has not received notice of any claimed violation (except such violations as (1) heretofore have been specifically disclosed in writing to, and have been in writing specifically consented to, by the Council and the Lender and (2) do not, and shall not, have any material adverse effect on the transactions herein contemplated and the compliance by the Borrower with the terms hereof), of any terms of any agreement or other instrument to which it is a party or by which it, its properties, or its operations may be bound, which may materially adversely affect the ability of the Borrower to perform hereunder.

(f) Governmental Consents. The Borrower has obtained, or expects to obtain when required, all permits, approvals, and findings of non-reviewability required as of the date hereof by any governmental body or officer for the acquisition of the Project, including, but not limited to, construction and renovation work necessary for such acquisition, the financing thereof or the reimbursement of the Borrower therefor, or the use of the Project, and, prior to or after entering into the Loan, the Borrower will obtain all other such permits, approvals, and findings as may be necessary for the foregoing and for the Loan and the proper application thereof. The Borrower has complied with or will comply with all applicable provisions of law requiring any notification, declaration, filing, or registration with any agency or other governmental body or officer in connection with the acquisition of the Project, including, but not limited to, construction and renovation work necessary for such acquisition, financing, or reimbursement thereof, or reimbursement of the Borrower therefor. Any such acquisition, financing, or reimbursement contemplated in this Loan Agreement is consistent with, and does not violate or conflict with, the terms of any such agency or other governmental consent, order, or other action which is applicable thereto. No further consent, approval, or authorization of, or filing, registration, or qualification with, any governmental authority is required on the part of the Borrower as a condition to the execution and delivery of this Loan Agreement, or to amounts becoming outstanding hereunder.

(g) Compliance with Law. The Borrower is in compliance with all laws, ordinances, and governmental rules and regulations to which it is subject, and which are material to its properties, operations, finances, or status as a municipal corporation or subdivision of the State.

(h) Use of Proceeds.

(1) The Borrower deems it necessary, desirable, and in the best financial interest of the Borrower to finance the acquisition of the Project. The financing of the Project in the manner herein provided is hereby authorized.

(2) The Borrower will apply the proceeds of the Loan from the Lender for (i) the financing of the Costs of the Project as set forth in Exhibit A hereto; and (ii) paying the transaction costs associated with the issuance of the Note. Simultaneously with the Closing of the Loan, a portion of the proceeds of the Loan will, at the Borrower's request and instruction as provided in Section 3.05 herein, be deposited into the Project Fund.

(3) If any component of the Project listed in Exhibit A is not paid for out of the proceeds of the Loan at the Closing of the Loan, the Borrower shall, as quickly as reasonably possible, with due diligence, use the remainder of the proceeds of the Loan listed in Exhibit A and any investment earnings thereon to pay the Costs of the Project. The Borrower may amend Exhibit A to provide for the financing of different or additional Projects if the Borrower, after the date hereof, deems it to not be in the interest of Borrower to the acquisition of any item of the Project or the Costs of the Project prove to be less than the amounts listed on Exhibit A and the investment earnings thereon, without the consent of the Lender or the Council (but with notice thereto).

(4) The Borrower will be responsible for repaying, through the Loan Repayments, the Note issued to fund the Loan, including the portion of the Note issued to fund any transaction costs associated with the issuance of the Note.

(i) Project. All items constituting the Project are permitted to be financed or reimbursed with the proceeds of the Note and the Loan pursuant to the Act.

SECTION 2.02. COVENANTS OF THE BORROWER. The Borrower makes the following covenants and representations as of the date first above written and such covenants shall continue in full force and effect during the Loan Term:

(a) Security for the Loan and Loan Repayments. Subject to the provisions of Section 2.02(k) hereof, the Borrower covenants and agrees to appropriate in its annual budget, by amendment, if required, and to pay when due under this Loan Agreement as promptly as money becomes available directly to the Lender, amounts of Non-Ad Valorem Revenues of the Borrower sufficient to satisfy the Loan Repayment as required under this Loan Agreement. Such covenant is subject in all respects to the payment of obligations secured by a pledge of such Non-Ad Valorem Revenues heretofore or hereafter entered into. Such covenant and agreement on the part of the Borrower to budget and appropriate such amounts of Non-Ad Valorem Revenues shall be cumulative, and shall continue until such Non-Ad Valorem Revenues or other legally available funds in amounts sufficient to make all required Loan Repayments, including delinquent Loan Repayments, shall have been budgeted, appropriated, and actually paid to the Lender. The Borrower further acknowledges and agrees that the obligations of the Borrower to include the amount of any deficiency in Loan Repayments in each of

its annual budgets and to pay such deficiencies from Non-Ad Valorem Revenues may be enforced in a court of competent jurisdiction in accordance with the remedies set forth herein. Notwithstanding the foregoing or any provision of this Loan Agreement to the contrary, the Borrower does not covenant to maintain any services or programs now maintained by the Borrower which generate Non-Ad Valorem Revenues or to maintain the charges it presently collects for any such services or programs.

(b) Funds and Accounts.

(1) The Borrower hereby covenants and agrees to establish a separate fund to be known as the "Village of Estero, Florida Taxable Revenue Note, Series 2019 Debt Service Fund." The Borrower hereby covenants and agrees to maintain in the Debt Service Fund the following accounts: the "Interest Account" and the "Principal Account." The Borrower hereby covenants and agrees to establish a separate fund to be known as the "Village of Estero, Florida Taxable Revenue Note, Series 2019 Project Fund." The Borrower hereby covenants and agrees to establish a separate fund to be known as the "Village of Estero, Florida Taxable Revenue Note, Series 2019 Prepayment Fund." Moneys in the aforementioned funds and accounts, until applied in accordance with the provisions hereof, shall be subject to a lien and charge in favor of the Noteholder and for the further security of the Noteholder. The Project Fund, the Debt Service Fund, and the Prepayment Fund shall constitute trust funds for State law purposes to secure the Noteholder, and shall at all times be kept separate and distinct from all other funds and accounts of the Borrower and used only as herein provided.

(2) The Borrower shall at any time and from time to time appoint one or more qualified depositories to hold, for the benefit of the Noteholder, any one or more of the funds and accounts established hereby. Such depository or depositories shall perform at the direction of the Borrower the duties of the Borrower in depositing, transferring, and disbursing moneys to and from each of such funds and accounts as herein set forth, and all records of such depository in performing such duties shall be open at all reasonable times to inspection by the Borrower and its agents and employees.

(3) The Project Fund, the Debt Service Fund, and the Prepayment Fund shall be continuously secured in the manner by which the deposit of public funds is authorized to be secured by the laws of the State and the investment policy of the Borrower. Moneys on deposit in the Project Fund, the Debt Service Fund, and the Prepayment Fund may be invested and reinvested in Permitted Investments maturing no later than the date on which the moneys therein will be needed. Any and all income received by the Borrower from the investment of moneys in the Project Fund, the Debt Service Fund, and the Prepayment Fund shall be retained in such respective fund and accounts unless otherwise required

by applicable law. Nothing contained in this Loan Agreement shall prevent any Permitted Investments acquired as investments of or security for funds and accounts held under this Loan Agreement from being issued or held in book-entry form on the books of the Department of the Treasury of the United States.

(4) The moneys required to be accounted for in each of the foregoing funds and accounts may be deposited in a single bank account, and funds allocated to the various funds and accounts may be invested in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the moneys on deposit therein and such investments for the various purposes of such funds and accounts as herein provided. The designation and establishment of the various funds and accounts shall not be construed to require the establishment of any completely independent, self-balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues for certain purposes and to establish certain priorities for application of such revenues as herein provided.

(c) Project Fund.

(1) The Project Fund created pursuant to Section 2.02(b) of this Loan Agreement shall be used only for payment of the Costs of the Project. Moneys in the Project Fund, until applied in payment of any item of the Costs of the Project, in the manner hereinafter provided, shall be held in trust by the Borrower and shall be subject to a lien and charge in favor of the Noteholder and for the further security of such Noteholder.

(2) Any funds on deposit in the Project Fund that, in the opinion of the Borrower, are not immediately necessary for expenditure, as herein provided, may be invested and reinvested in Permitted Investments which shall mature or be redeemable at face value not later than the dates on which such funds are needed. All income derived from investment of funds in the Project Fund shall be used to pay Costs of the Project, as provided herein.

(3) Any payments for any damages of whatever kind received by the Borrower as a result of the negligence or breach of contract or warranty by any contractor, subcontractor, supplier, or design professional working on or supplying goods or services for the Project, and all insurance proceeds received with respect to damages to such Project during the acquisition of the Project, shall be deposited into the Project Fund to ensure proper completion of the Project.

(4) The Borrower covenants to commence the acquisition of the Project promptly upon delivery of the Note and to thereafter work with due diligence to complete the Project. Upon completion of the Project, any amounts then remaining in the Project Fund and not reserved by the Borrower for the payment of any remaining part of Costs of the Project, shall be used to prepay the Note in the manner that such Note is to be prepaid under the terms of this Loan Agreement, or to pay principal of or interest on the Note, as such becomes due.

(5) Upon the occurrence of a Default hereunder, to the extent there are no other funds available under this Loan Agreement, the moneys in the Project Fund shall be applied to the payment of the Note.

(d) Prepayment Fund.

(1) The Prepayment Fund created pursuant to Section 2.02(b) of this Loan Agreement shall be used only for prepayment of the Note. Moneys in the Prepayment Fund, until applied in prepayment of the Note, in the manner provided in Section 5.04 herein, shall be held in trust by the Borrower and shall be subject to a lien and charge in favor of the Noteholder and for the further security of such Noteholder.

(2) Any funds on deposit in the Prepayment Fund that, in the opinion of the Borrower, are not immediately necessary for expenditure, as herein provided, may be invested and reinvested in Permitted Investments which shall mature or be redeemable at face value not later than the dates on which such funds are needed. All income derived from investment of funds in the Prepayment Fund shall be used to prepay the Note, as provided in Section 5.04 herein.

(e) Flow of Funds. Pursuant to Section 2.02(a) of this Loan Agreement, Non-Ad Valorem Revenues shall be deposited or credited at least five Business Days prior to the applicable due date, in the following manner and in the following order of priority:

(1) First, the Borrower shall deposit into or credit to the Interest Account the sum which, together with the balance in such Interest Account, shall equal the interest coming due on the Note accrued and unpaid and to accrue on such Interest Payment Date. Moneys in the Interest Account shall be used to pay interest on the Note, as and when the same become due, whether by prepayment or otherwise, and for no other purpose.

(2) Next, the Borrower shall deposit into or credit to the Principal Account the sum which, together with the balance in such Principal Account,

shall equal the principal coming due on the Note on the next Principal Payment Date. Moneys in the Principal Account shall be used to pay the principal of the Note, as and when the same shall become due, whether by prepayment or otherwise, and for no other purpose.

(f) Anti-Dilution Test.

(1) During such time as the Loan is outstanding hereunder, the Borrower agrees and covenants with the Noteholder that, prior to the issuance of Debt by the Borrower, it shall deliver to the Noteholder a certificate certifying that it is in compliance with the following: (i) the Non-Ad Valorem Revenues shall cover projected maximum annual debt service on the Loan and maximum annual debt service on all other Debt by at least 1.5x; and (ii) projected maximum annual debt service on the Loan and maximum annual debt service for all other Debt will not exceed 20% of the Governmental Funds Revenues, exclusive of (A) ad valorem tax revenues restricted to payment of debt service on any Debt and (B) any proceeds of the Loan or any Debt. The calculations required by clauses (i) and (ii) above shall be determined using the average of actual receipts for the prior two Fiscal Years based on the Audit.

(2) For purposes of the covenants contained in this Section 2.02(f), maximum annual debt service on the Debt means, with respect to the Debt that bears interest at a fixed interest rate, the actual maximum annual debt service, and, with respect to the Debt which bears interest at a variable interest rate, maximum annual debt service on such Debt shall be determined assuming that interest accrues on such Debt at the Current "Bond Buyer Revenue Bond Index" as published in The Bond Buyer no more than two weeks prior to any such calculation; provided, however, if any Debt, whether bearing interest at a fixed or variable interest rate, constitutes Balloon Indebtedness, maximum annual debt service on such Debt shall be determined assuming such Debt is amortized over 25 years on an approximately level debt service basis.

(g) Delivery of Information to the Lender.

(1) The Borrower shall deliver to the Lender as soon as available and in any event within 270 days after the end of each Fiscal Year the Audit of the Borrower as of the end of such Fiscal Year, all as reported on by an Accountant.

(2) The Borrower shall provide the Lender such other public financial information as the Lender may reasonably request from time to time.

(h) Information. The Borrower's chief financial officer or other staff of the Borrower shall discuss the Borrower's financial matters with the Lender and provide the

Lender with copies of any documents reasonably requested by the Lender unless such documents or material are protected or privileged from disclosure under applicable State law.

(i) Further Assurance. The Borrower shall execute and deliver to the Lender and the Council all such documents and instruments and do all such other acts and things as may be reasonably necessary to enable the Lender and the Council to exercise and enforce its rights under this Loan Agreement and to realize thereon, and record and file and re-record and re-file all such documents and instruments, at such time or times, in such manner, and at such place or places, all as may be reasonably necessary or required by the Lender to validate, preserve, and protect the Lender's security under this Loan Agreement.

(j) Keeping of Records and Books of Account. The Borrower shall keep or cause to be kept proper records and books of account, in which correct and complete entries will be made in accordance with generally accepted accounting principles, consistently applied (except for changes concurred in by the Borrower's independent auditors) reflecting all of its financial transactions.

(k) Payment of Taxes, Etc. The Borrower shall pay all legally contracted obligations when due and shall pay all taxes, assessments, and governmental charges or levies imposed upon it or upon its income or profits, or upon any properties belonging to it, prior to the date on which penalties attach thereto, and all lawful claims, which, if unpaid, might become a lien or charge upon any of its properties, provided that it shall not be required to pay any such tax, assessment, charge, levy, or claim which is being contested in good faith and by appropriate proceedings, which shall operate to stay the enforcement thereof.

(l) Compliance with Laws, Etc. The Borrower shall comply with the requirements of all applicable laws, the terms of all grants, rules, regulations, and lawful orders of any governmental authority, non-compliance with which would, singularly or in the aggregate, materially adversely affect its business, properties, earnings, prospects, or credit, unless the same shall be contested by it in good faith and by appropriate proceedings which shall operate to stay the enforcement thereof.

(m) Reporting Requirements. The Borrower agrees to provide along with its Audit described in Section 2.02(g) above, a certificate of the chief financial officer of the Borrower stating that to the best of his or her knowledge the Borrower is in compliance with the terms and conditions of this Loan Agreement, or, specifying the nature of any noncompliance and the remedial action taken or proposed to be taken to cure such noncompliance.

(n) Limited Obligation.

(1) Anything in this Loan Agreement to the contrary notwithstanding, it is understood and agreed that all obligations of the Borrower hereunder shall be payable only from Non-Ad Valorem Revenues budgeted and appropriated as provided for hereunder and nothing herein shall be deemed to pledge ad valorem taxation revenues or to permit or constitute a mortgage or lien upon any assets or property owned by the Borrower and no Noteholder or any other person, including the Council or the Lender, may compel the levy of ad valorem taxes on real or personal property within the boundaries of the Borrower. The obligations hereunder do not constitute an indebtedness of the Borrower within the meaning of any constitutional, statutory, or charter provision or limitation, and neither the Lender, the Council, the Noteholder, nor any other person shall have the right to compel the exercise of the ad valorem taxing power of the Borrower or taxation of any real or personal property therein for the payment by the Borrower of its obligations hereunder. Except to the extent expressly set forth in this Loan Agreement, this Loan Agreement and the obligations of the Borrower hereunder shall not be construed as a limitation on the ability of the Borrower to pledge or covenant to pledge the Non-Ad Valorem Revenues or any revenues or taxes of the Borrower for other legally permissible purposes. Notwithstanding any provisions of this Loan Agreement or the Note to the contrary, the Borrower shall never be obligated to maintain or continue any of the activities of the Borrower which generate user service charges, regulatory fees, or any Non-Ad Valorem Revenues or the rates for such services or regulatory fees. Neither this Loan Agreement nor the obligations of the Borrower hereunder shall be construed as a pledge of or a lien on all or any legally available Non-Ad Valorem Revenues of the Borrower, but shall be payable solely as provided in Section 2.02(a) hereof and is subject in all respects to the provisions of Section 166.241, Florida Statutes, and is subject, further, to the payment of services and programs which are for essential public purposes affecting the health, welfare, and safety of the inhabitants of the Borrower.

(2) It is the intent of the parties hereto and they do hereby covenant and agree, that the liability of the Borrower hereunder is a several liability of the Borrower expressly limited to the Loan Repayments, and the Borrower shall have no joint liability with the Council for any of their respective liabilities, except to the extent expressly provided herein.

(o) Other Conditions. The Council, the Lender, and the Borrower mutually agree and understand that the amounts available to be budgeted and appropriated to make Loan Repayments hereunder is subject to the obligation of the Borrower to provide essential services; however, such obligation is cumulative and would carry over from Fiscal Year to Fiscal Year.

(p) Indemnity.

(1) To the full extent permitted under the laws of the State, the Borrower will pay, and will protect, indemnify, save, and hold harmless, the Council, each member, officer, commissioner, employee, and agent of the Council, and each other person, if any, who has the power, directly or indirectly, to direct or cause the direction of the management and policies of the Council, harmless from and against, any and all liabilities, losses, damages, costs, and expenses (including reasonable attorneys' fees, costs, and expenses), suits, claims, and judgments of whatsoever kind and nature (including those in any manner directly or indirectly arising or resulting from, out of, or in connection with, any injury to, or death of, any person or any damage to property resulting from the use or operation of the Project) in any manner arising out of or in connection with the failure to act of the Borrower, its successors and assigns, or the agents, contractors, employees, licensees, or otherwise of the Borrower or its successors and assigns in connection with, the Project financed with the proceeds of the Loan, or the breach or violation of any agreement, covenant, representation, or warranty of the Borrower set forth in this Loan Agreement or any document delivered pursuant hereto or thereto or in connection herewith or therewith. Such indemnification shall not apply to any actions caused by the gross negligence or willful misconduct of the party seeking such indemnification.

(2) Such indemnity shall not be restricted in any way by any limitation on the amount or type of damages, compensation, or benefits payable under any workers' compensation acts, disability benefit acts, or other employee benefits acts or any other similar laws but may be limited by State law relating to the ability of governmental units to indemnify parties for the actions of such governmental units, including but not limited to Section 768.28, Florida Statutes.

(3) An indemnified person shall promptly notify the Borrower in writing of any claim or action brought against it, in respect of which indemnity may be sought against the Borrower, setting forth, to the extent reasonably practicable under the circumstances, the particulars of such claim or action, and the Borrower will promptly assume the defense thereof with its in-house counsel or, at its election, the employment of competent outside counsel reasonably satisfactory to such indemnified person and the payment of all expenses.

(4) An indemnified person may employ separate counsel with respect to any such claim or action and participate in the defense thereof, but, except as provided herein, the fees and expenses of such separate counsel shall not be payable by the Borrower unless such employment has been specifically authorized by the Borrower, which such authorization shall not be unreasonably withheld, or unless such employment was occasioned by conflicts of interest

between and among indemnified persons and/or the Borrower. If the Borrower shall fail to assume the defense of any action as required hereunder, or, within a reasonable time after commencement of such action, to retain outside counsel, if it so elects or if it becomes necessary due to conflict, reasonably satisfactory to the indemnified person, the fees, costs, and expenses of counsel to such indemnified person hereunder shall be paid by the Borrower.

(5) The provisions of this Section 2.02(p) shall survive the termination of this Loan Agreement.

SECTION 2.03. BORROWER PAYMENTS. Prior to or on each Interest Payment Date and Principal Payment Date, the Borrower shall withdraw from the appropriate account of the Debt Service Fund sufficient moneys to pay the Loan Repayments and shall pay directly to the Lender such Loan Repayments.

ARTICLE III

THE LOAN AND THE NOTE

SECTION 3.01. ISSUANCE OF THE NOTE AND THE LOAN. The Council hereby agrees to facilitate and assist in the making of the Loan by the Lender to the Borrower and the Borrower hereby agrees to borrow the sum of \$20,000,000 from the Lender. The amounts advanced to the Borrower net of the costs of the initial issuance are to be used by the Borrower for the purposes of financing the Costs of the Project.

SECTION 3.02. EVIDENCE OF LOAN. The Borrower's obligation hereunder to repay amounts advanced pursuant to Section 3.01, together with interest thereon, and other payments required under this Loan Agreement, shall be evidenced by this Loan Agreement and the Note.

SECTION 3.03. PURCHASE OF NOTE. The Lender agrees to extend credit to the Borrower by purchasing the Note at the price equal to the principal amount of the Note, which amount is hereby to be used to fund the Loan to the Borrower.

SECTION 3.04. DESCRIPTION OF THE NOTE. The Note shall have the terms set forth in the form of Note attached hereto as Exhibit C. The Borrower hereby approves the form of the Note attached and agrees hereby to issue the Note to the Lender. There is hereby pledged and assigned all amounts payable by the Borrower as Loan Repayments to the Lender as security for the payment of the Note.

SECTION 3.05. LOAN FOR PURPOSE OF FINANCING THE PROJECT. The proceeds received from the Loan as evidenced by the Note in the amount of \$20,000,000.00 shall be applied by the Borrower as follows:

(a) \$60,500.00, representing a portion of the proceeds of the Note shall be deposited in the Project Fund or deposited directly with the Council in order to pay costs of issuance of the Note; and

(b) \$19,939,500.00, representing a portion of the proceeds of the Note shall be deposited in the Project Fund in order to pay Costs of the Project.

ARTICLE IV

LOAN TERM AND LOAN CLOSING REQUIREMENTS

SECTION 4.01. COMMENCEMENT OF LOAN TERM. The Borrower's obligations under this Loan Agreement shall commence upon Closing, unless otherwise provided in this Loan Agreement.

SECTION 4.02. TERMINATION OF LOAN TERM. The Borrower's obligations under this Loan Agreement shall terminate after payment in full of all amounts due under this Loan Agreement; provided, however, that all covenants and all obligations provided hereunder specified to so survive shall survive the termination of this Loan Agreement and the payment in full of principal and interest hereunder. If required by the Borrower, upon termination of the Loan Term as provided above, the Council and the Lender shall deliver, or cause to be delivered, to the Borrower an acknowledgment thereof. The Lender shall return to the Borrower the cancelled Note in a reasonable amount of time after payment in full of principal of and interest on the Note. The foregoing sentence shall survive the termination of this Loan Agreement and the Loan Term.

SECTION 4.03. LOAN CLOSING SUBMISSIONS. Concurrently with the execution and delivery of this Loan Agreement, the Borrower is providing to the Lender the following documents each dated the date of such execution and delivery unless otherwise provided below:

(a) a certified copy of the Resolution;

(b) an opinion of the Borrower's Counsel to the effect that the Loan Agreement is a valid and binding obligation of the Borrower and opining to such other matters as may be reasonably required by Note Counsel and the Lender and acceptable to Borrower's Counsel and in substantially the form of Exhibit B attached hereto;

(c) a certificate of the officials of the Borrower to the effect that the representations and warranties of the Borrower are true and correct;

(d) an executed and authenticated Note;

(e) this executed Loan Agreement;

(f) a standard opinion of Note Counsel (addressed for reliance by and to the Council, the Lender, and the Borrower) to the effect that: (1) the Loan Documents are authorized and enforceable, (2) the Note is authorized under the Act and the Resolution authorizing this Loan Agreement, and (3) the interest on the Note is not excludable from gross income for purposes of federal income taxation; and

(g) such other certificates, documents, opinions, and information as the Council, the Lender, or Note Counsel may require.

SECTION 4.04. ADMINISTRATION FEE. In further consideration for the Council's assistance in connection with the Loan, the Borrower hereby agrees to pay the Council a one-time administration fee to be collected from the Borrower at the rate of 10/100 of 1% (0.001) of the amount of the Loan with a minimum fee of \$5,000 and a maximum fee of \$15,000 with respect to the Loan. Such administration fee is included in the costs of issuance of the Note set forth in Section 3.05(a) herein.

ARTICLE V

LOAN REPAYMENTS

SECTION 5.01. PAYMENT OF BASIC PAYMENTS. The Borrower shall pay all Basic Payments in lawful money of the United States of America to the Noteholder, as payment on the Note. No such Basic Payments shall be in an amount such that interest on the Loan is in excess of the Maximum Rate. The Basic Payments consist of the principal of, premium, if any, and interest on the Note. The Basic Payments shall be paid by the Borrower directly to the Lender by wire transfer in accordance with written instructions delivered by the Lender to the Borrower, or by such other medium acceptable to the Borrower and to the Lender, from the appropriate accounts in the Debt Service Fund at the times such amounts are due on the Note, as set forth in the Note, and under this Loan Agreement.

SECTION 5.02. PAYMENT OF ADDITIONAL PAYMENTS. In addition to the Basic Payments which are set forth in Section 5.01 hereof, the Borrower agrees to pay in lawful money of the United States of America, on demand of the Council or the Lender, as applicable, all reasonable fees and expenses relating to this Loan Agreement, including, but not limited to, the following Additional Payments:

(a) the reasonable fees and disbursements of legal counsel utilized by the Council and the Lender in connection with the Note, the Loan, this Loan Agreement, and the enforcement thereof;

(b) reasonable extraordinary fees and expenses of the Council and the Lender following an Event of Default hereunder;

(c) all other reasonable out-of-pocket expenses of the Council and the Lender in connection with the Note, the Loan, this Loan Agreement, and the enforcement thereof, including, but not limited to, all fees and expenses related to the prepayment and defeasance of the Loan and the Note;

(d) all taxes (including any recording, documentary stamp taxes, intangible taxes, and filing fees) in connection with the execution and delivery of this Loan Agreement and/or the Note, and all expenses, including reasonable attorneys' fees, relating to any amendments, waivers, consents, or collection or enforcement proceedings pursuant to the provisions hereof;

(e) (1) any and all losses, damages, expenses (including reasonable legal and other fees and expenses), liabilities, or claims (or actions in respect thereof), to which the Council may become subject under any federal or state securities laws, federal, or state tax laws, or other statutory law or at common law or otherwise, and (2) any and all fees and expenses of any inquiries or audits by any regulatory agencies, all as caused by or arising out of or based upon this Loan Agreement, the Loan, the Note, the issuance of the Note, or the use of the proceeds of the Note.

SECTION 5.03. OBLIGATIONS OF BORROWER UNCONDITIONAL. Subject in all respects to the provisions of this Loan Agreement, the obligations of the Borrower to make the Loan Repayments required hereunder and to perform and observe the other agreements on its part contained herein, shall be absolute and unconditional, and shall not be abated, rebated, set-off, reduced, abrogated, terminated, waived, diminished, postponed, or otherwise modified in any manner or to any extent whatsoever, while the Note remains outstanding or any Loan Repayments remain unpaid, regardless of any contingency, act of God, event, or cause whatsoever. The Borrower shall pay in full the Loan Repayments and all other payments required hereunder, regardless of any rights of set-off, recoupment, abatement, or counterclaim that the Borrower might otherwise have against the Council, the Lender, or any other party or parties.

SECTION 5.04. PREPAYMENT.

(a) Optional Prepayment.

(i) The Note or principal installments thereof shall, at the option of the Borrower, be subject to optional prepayment in whole or in part, at any time, from proceeds of a refunding debt issuance from a lending institution other than the Lender, at the prepayment price of par, plus accrued interest through the date of prepayment, plus the following premiums, expressed as a percentage of

the principal amount thereof, if prepaid in the following years: (1) 0.5% if prepaid before May 1, 2025; and (2) without premium if prepaid on or after May 1, 2025.

(ii) The Note or principal installments thereof shall, at the option of the Borrower, be subject to prepayment in whole or in part, at any time, from any legally available revenues of the Borrower (provided such legally available revenues do not constitute proceeds of a refunding debt issuance from a lending institution other than the Lender), at the prepayment price of par, plus accrued interest through the date of prepayment, without premium.

(b) Extraordinary Prepayment.

(i) The Note or principal installments thereof shall be subject to extraordinary prepayment in whole or in part, at any time, from proceeds of the sale of any portion of the Project, at the prepayment price of par, plus accrued interest to the date of prepayment, and without prepayment premium.

(ii) The Note or principal installments thereof shall be subject to extraordinary prepayment in whole or in part, at any time, from proceeds of any grants awarded to the Borrower related to the Project, at the prepayment price of par, plus accrued interest to the date of prepayment, and without prepayment premium.

(iii) Upon the Borrower's receipt of proceeds of the sale of any portion of the Project or proceeds of any grants awarded to the Borrower, the extraordinary prepayment of the Note as described in Section 5.04(b)(i) and (b)(ii), shall be made as quickly as reasonably possible, with due diligence, and in any event no later than the date six months from the Borrower's receipt of the sale proceeds or grant proceeds being used for such extraordinary prepayment.

ARTICLE VI

DEFEASANCE

SECTION 6.01. DEFEASANCE OF THE LOAN AGREEMENT AND THE NOTE.

(a) This Loan Agreement shall continue to be obligatory and binding upon the Borrower in the performance of the obligations imposed by this Loan Agreement and the repayment of all sums due by the Borrower under this Loan Agreement shall continue to be secured by this Loan Agreement as provided herein until all of the

indebtedness and all of the payments required to be made by the Borrower shall be fully paid to the Council and the Lender, as provided herein, including any fees and expenses in connection with such repayment, if any.

(b) If, at any time, the Borrower shall have paid, or shall have made provision for payment of, the principal amount of, prepayment premium, if any, and interest on the Note and shall have paid all amounts due under the Note and this Loan Agreement, then, and in that event, covenant regarding the Non-Ad Valorem Revenues for the benefit of the Noteholder shall be no longer in effect and all future obligations of the Borrower under this Loan Agreement shall cease; provided, however, that all covenants and all obligations provided hereunder specified to so survive (including the obligation of the Borrower to pay the rebate obligations owed on the Note) shall survive the termination of this Loan Agreement and the payment in full of principal of and interest on the Note. For purposes of the preceding sentence, in order for the Borrower to have made "provision for payment," the Borrower shall have deposited sufficient cash and/or Governmental Obligations in irrevocable trust with a banking institution or trust company, for the sole benefit of the Lender in respect to which such cash and/or Governmental Obligations, the principal and interest on which will be sufficient (as reflected in an Accountant's verification report provided to the Lender by the Borrower) to make timely payment of the principal of, prepayment premium, if any, and interest on the Note.

(c) Prior to the defeasance of the Note becoming effective, the Lender shall receive a defeasance opinion of Note Counsel to the effect that the Note has been defeased in accordance with this Loan Agreement.

ARTICLE VII

ASSIGNMENT AND PAYMENT BY THIRD PARTIES

SECTION 7.01. ASSIGNMENT OF LOAN AGREEMENT.

(a) This Loan Agreement may not be assigned by the Borrower for any reason without the express prior written consent of the Council and the Lender.

(b) The Note may be assigned by the Lender in accordance with the terms thereof, and such assignment shall, without further action, be deemed to assign the Lender's interest under this Loan Agreement.

SECTION 7.02. NO PARTNERSHIP, ETC. The relationship between the Lender and the Borrower are solely those of lender and borrower. Neither the Council nor the Lender has any fiduciary or other special relationship with or duty to the Borrower and none is created by the Note documents or Loan documents. Nothing contained in the Note documents or Loan

documents, and no action taken or omitted pursuant to the Note documents or Loan documents, is intended or shall be construed to create any partnership, joint venture association, or special relationship between or among the Borrower, the Lender, and the Council or any of them or in any way make the Council or the Lender a co-principal with the Borrower with reference to the Note, the Loan, or otherwise. In no event shall the Council's or Lender's rights and interests under the Note documents or Loan documents be construed to give the Council or the Lender the right to control, or to be deemed to indicate that the Council or the Lender is in control of, the business, properties, management, or operations of the Borrower.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

SECTION 8.01. EVENTS OF DEFAULT DEFINED. The following shall be "Events of Default" under this Loan Agreement and the terms "Event of Default" and "Default" shall mean (except where the context clearly indicates otherwise), whenever they are used in this Loan Agreement, any one or more of the following events:

- (a) failure by the Borrower to timely pay any Loan Repayment, when due, so long as the Note is outstanding;
- (b) failure by the Borrower to timely pay any other payment required to be paid hereunder on the date on which it is due and payable, provided the Borrower has prior written notice of any such payments being due;
- (c) failure by the Borrower to observe and perform any covenant, condition, or agreement (other than a failure under Section 8.01(a)), on its part to be observed or performed under this Loan Agreement, for a period of thirty (30) days after written notice of the failure is given to the Borrower (as provided in Section 9.01 of this Loan Agreement), unless the Council or the Lender, as applicable, shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice can be wholly cured within a period of time not materially detrimental to the rights of the Council or the Lender, as applicable, but cannot reasonably be cured within the applicable thirty (30) day period, the Council or the Lender will not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the Borrower within the applicable period and diligently pursued until the failure is corrected;
- (d) any warranty, representation, or other statement by the Borrower or by an officer or agent of the Borrower contained in this Loan Agreement or in any instrument furnished in compliance with or in reference to this Loan Agreement, is false or misleading in any material respect when made;

(e) a petition is filed against the Borrower under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution, or liquidation law of any jurisdiction, whether now or hereafter in effect, and is not dismissed within sixty (60) days of such filing;

(f) the Borrower files a petition in voluntary bankruptcy or seeking relief under any provision of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution, or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under such law;

(g) the Borrower admits insolvency or bankruptcy or its inability to pay its debts as they become due or is generally not paying its debts as such debts become due, or becomes insolvent or bankrupt or makes an assignment for the benefit of creditors, or a custodian (including without limitation a receiver, liquidator, or trustee) of the Borrower or any of its property is appointed by court order or takes possession thereof and such order remains in effect or such possession continues for more than sixty (60) days;

(h) default under any agreement to which the Borrower is a party evidencing, securing, or otherwise respecting any indebtedness of the Borrower outstanding in the principal amount of \$100,000 or more if, as a result thereof, such indebtedness may be declared immediately due and payable or other remedies may be exercised with respect thereto;

(i) any material provision of this Loan Agreement shall at any time for any reason cease to be valid and binding on the Borrower, or shall be declared to be null and void, or the validity or enforceability of this Loan Agreement shall be contested by the Borrower or any governmental agency or authority, or if the Borrower shall deny any further liability or obligation under this Loan Agreement; or

(j) final judgment for the payment of money in the amount of \$250,000 or more is rendered against the Borrower, and the payment of which would materially adversely affect the Borrower's ability to meet its obligations hereunder (it being agreed that, if insurance or adequate reserves are available to make such payment, such judgment would not materially affect the Borrower's ability to meet its obligations hereunder) and at any time after ninety (90) days from the entry thereof, unless otherwise provided in the final judgment, (1) such judgment shall not have been discharged, or (2) the Borrower shall not have taken and be diligently prosecuting an appeal therefrom or from the order, decree or process upon which or pursuant to which such judgment shall have been granted or entered, and have caused the execution of or levy under such judgment, order, decree, or process of the enforcement thereof to have been stayed pending determination of such appeal, provided that such execution and

levy would materially adversely affect the Borrower's ability to meet its obligations hereunder; or (3) it has not been determined by a court of competent jurisdiction from which appeal may not be taken or from which appeal has been taken but has been finally denied that the Borrower is not obligated with respect to such judgment pursuant to the provisions of Chapter 768, Florida Statutes or other applicable law.

SECTION 8.02. NOTICE OF DEFAULT. The Borrower agrees to give the Lender and the Council prompt written notice if any petition, assignment, appointment, or possession referred to in Section 8.01(e), 8.01(f), and 8.01(g) is filed by or against the Borrower or of the occurrence of any other event or condition which constitutes a Default or an Event of Default, or with the passage of time or the giving of notice would constitute an Event of Default, immediately upon becoming aware of the existence thereof.

SECTION 8.03. REMEDIES ON DEFAULT. Whenever any Event of Default referred to in Section 8.01 hereof shall have happened and be continuing, the Council or the Lender shall, in addition to any other remedies herein or by law provided, have the right, at its or their option without any further demand or notice, except as otherwise provided for in this Loan Agreement, to take whatever other action at law or in equity which may appear necessary or desirable to collect amounts then due to it and thereafter to become due hereunder or to enforce any other of its or their rights hereunder, including the right of set-off against and apply all funds of the Borrower held on deposit with or under control of the Lender to the payment of any obligations of the Borrower under any of the Loan documents; provided, however, the Council shall only have the right to take such action as it deems necessary to collect amounts then due or to become due to the Council.

SECTION 8.04. NO REMEDY EXCLUSIVE; WAIVER, NOTICE. No remedy herein conferred upon or reserved to the Council or the Lender is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right, remedy or power shall be construed to be a waiver thereof, but any such right, remedy or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Council or the Lender to exercise any remedy reserved to it in this Article VIII, it shall not be necessary to give any notice other than such written notice as provided in this Article VIII.

SECTION 8.05. APPLICATION OF MONEYS. Any moneys collected by the Council or the Lender pursuant to Section 8.03 hereof shall be applied (a) first, to pay interest due on the Loan, (b) second, to pay principal due on the Loan, (c) third, to pay any other amounts due hereunder, including, but not limited to, any attorney's fees, costs or expenses, or other expenses owed by the Borrower pursuant to Section 5.02(a), (b), and (c) hereof; and (d) fourth, to pay interest and principal on the Loan and other amounts payable hereunder but which are not due, as they become due (in the same order, as to amounts which come due simultaneously, as in (a) through (c) in this Section 8.05).

ARTICLE IX

MISCELLANEOUS

SECTION 9.01. NOTICES. All notices, certificates, or other communication hereunder shall be sufficiently given and shall be deemed given when hand delivered or mailed by certified mail, postage prepaid, return receipt requested, to the parties at the following addresses:

Council: Florida Municipal Loan Council
c/o Florida League of Cities, Inc.
301 South Bronough Street, Suite 300
Tallahassee, Florida 32301

Lender: Capital Bank
6435 Naples Blvd.
Naples, Florida 34109
Attention: Meriem Allgood

Borrower: Village of Estero, Florida
9401 Corkscrew Palms Circle
Estero, Florida 33928
Attn: Village Manager

Any of the above parties may, by notice in writing given to the others, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

SECTION 9.02. BINDING EFFECT. This Loan Agreement shall inure to the benefit of the Lender, the Council, and the Borrower, and shall be binding upon the Lender, the Council, and the Borrower, and their respective successors and assigns.

SECTION 9.03. SEVERABILITY. In the event any provision of this Loan Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 9.04. AMENDMENTS, CHANGES, AND MODIFICATIONS. This Loan Agreement may be amended or supplemented from time to time only by a writing duly executed by the Borrower and the Lender; provided, however, any such amendment affecting the rights or obligations of the Council shall not be effective unless it shall have been consented to in writing by the Council.

SECTION 9.05. EXECUTION IN COUNTERPARTS. This Loan Agreement may be simultaneously executed in several counterparts, each of which, when so executed and delivered, shall be an original and all of which shall constitute but one and the same instrument.

SECTION 9.06. APPLICABLE LAW. This Loan Agreement shall be governed by and construed in accordance with the laws of the State without regard to conflict of law principles.

SECTION 9.07. BENEFIT OF NOTEHOLDER. This Loan Agreement is executed in part to induce the purchase by the Lender of the Note. Accordingly, all covenants, agreements, and representations on the part of the Borrower, as set forth in this Loan Agreement, are hereby declared to be for the benefit of the Noteholder from time to time of the Note.

SECTION 9.08. CONSENTS AND APPROVALS. Whenever the written consent or approval of the Council shall be required under the provisions of this Loan Agreement, such consent or approval may be given by an Authorized Representative of the Council or such other additional persons provided by law or by rules, regulations, or resolutions of the Council.

SECTION 9.09. IMMUNITY OF OFFICERS, EMPLOYEES, AND MEMBERS OF COUNCIL AND BORROWER. No recourse shall be had for the payment of the principal of, prepayment premium, if any, or interest hereunder or for any claim based thereon or upon any representation, obligation, covenant, or agreement in this Loan Agreement against any past, present, or future official officer, member, counsel, counsel's firm, employee, director, or agent, as such, of the Council or the Borrower, either directly or through the Council or the Borrower, or respectively, any successor public or private corporation thereto under any rule of law or equity, statute, or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, members, counsels, employees, directors, or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Loan Agreement.

SECTION 9.10. CAPTIONS. The captions or headings in this Loan Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions of sections of this Loan Agreement.

SECTION 9.11. NO PECUNIARY LIABILITY OF COUNCIL. The Council shall not in any way be obligated to pay the principal of, prepayment premium, if any, or interest on the Note, and the issuance of the Note by the Borrower shall not directly, indirectly, or contingently obligate the Council to levy or pledge any form of ad valorem taxation for its payment.

SECTION 9.12. PAYMENTS DUE ON HOLIDAYS. If the date for making any payment or the last date for performance of any act or the exercise of any right, as provided in

this Loan Agreement, shall be other than on a Business Day, such payments may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this Loan Agreement; provided, however, that any interest due shall accrue until paid.

SECTION 9.13. CALCULATIONS. Interest shall be computed on the basis of twelve 30-day months and a 360-day year.

SECTION 9.14. TIME OF PAYMENT. Any Loan Repayment or other payment hereunder which is received by the Lender after 2:00 p.m. (Eastern Time) on any day shall be deemed received on the following Business Day.

SECTION 9.15. WAIVER OF JURY TRIAL. EACH OF THE COUNCIL, THE LENDER, AND THE BORROWER HEREBY WAIVES TRIAL BY JURY IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATED TO THIS LOAN AGREEMENT. EACH OF THE COUNCIL, THE LENDER, AND THE BORROWER HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHTS IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION (WHETHER AS CLAIM, COUNTER-CLAIM, AFFIRMATIVE DEFENSE OR OTHERWISE) BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH, THIS LOAN AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALINGS, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF THE COUNCIL, THE LENDER, AND THE BORROWER. EACH OF THE COUNCIL, THE LENDER, AND THE BORROWER ACKNOWLEDGES AND AGREES THAT IT HAS RECEIVED FULL AND SUFFICIENT CONSIDERATION FOR THIS PROVISION AND RECOGNIZES AND AGREES THAT THIS PROVISION IS A MATERIAL INDUCEMENT FOR OTHER PARTIES HERETO TO ENTER INTO THIS LOAN AGREEMENT. EACH OF THE COUNCIL, THE LENDER, AND THE BORROWER REPRESENTS AND ACKNOWLEDGES THAT IT HAS REVIEWED THIS PROVISION WITH ITS LEGAL COUNSEL AND THAT IT HAS KNOWINGLY AND VOLUNTARILY WAIVED ANY JURY TRIAL RIGHTS IT MAY HAVE FOLLOWING CONSULTATION WITH SUCH LEGAL COUNSEL.

IN WITNESS WHEREOF, the Council has caused this Loan Agreement to be executed in its corporate name with its corporate seal hereunto affixed and attested by its duly authorized officers, the Borrower has caused this Loan Agreement to be executed in its name with its seal hereunto affixed and attached by its duly authorized officers, and the Lender has caused this Loan Agreement to be executed in its corporate name by its duly authorized officer. All of the above occurred as of the date first above written.

FLORIDA MUNICIPAL LOAN COUNCIL

(SEAL)

By: _____
Name: Isaac Salver
Title: Chairman

ATTEST:

By: _____
Name: Jeannie Garner
Title: Executive Director Designate

[First Signature Page to Loan Agreement]

CAPITAL BANK, a Division of First
Tennessee Bank National Association

By: _____
Name: Meriem Allgood
Title: Senior Vice President

VILLAGE OF ESTERO, FLORIDA, a Florida
Municipal Corporation

(SEAL)

By: _____
Name: James R. Boesch
Title: Mayor

ATTESTED BY:

By: _____
Name: Kathy Hall, MMC
Title: Village Clerk

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

By: _____
Name: Burt Saunders, Esq.
Title: Village Attorney

[Second Signature Page to Loan Agreement]

EXHIBIT A

**VILLAGE OF ESTERO, FLORIDA
USE OF LOAN PROCEEDS**

<u>PROJECT</u>	<u>TOTAL AMOUNT TO BE FINANCED</u>
Acquisition of approximately 62.2 acres adjacent to the Estero River	\$20,000,000

EXHIBIT B

OPINION OF BORROWER'S COUNSEL

[Letterhead of Counsel to Borrower]

January 14, 2019

Florida Municipal Loan Council
c/o Florida League of Cities, Inc.
301 South Bronough Street
Tallahassee, Florida 32301

Bryant Miller Olive P.A.
1 SE 3rd Avenue, Suite 2200
Miami, Florida 33131

Capital Bank
6435 Naples Blvd.
Naples, Florida 34109

Re: \$20,000,000 Village of Estero, Florida Taxable Revenue Note, Series 2019 (the
"Note")

Ladies and Gentlemen:

We are the Village Attorney to the Village of Estero, Florida (the "Borrower"), and have been requested by the Borrower to give this opinion in connection with the Borrower's financing all or a portion of the Costs of the Project, each as defined in the Loan Agreement, dated as of January 1, 2019 (the "Loan Agreement"), by and among the Florida Municipal Loan Council (the "Council"), the Borrower, and Capital Bank, a Division of First Tennessee Bank National Association (the "Lender"). The Note is issued by the Borrower pursuant to Article VIII, Section 2 of the Florida Constitution; Chapter 125, Florida Statutes; Chapter 159, Part VII, Florida Statutes; Chapter 166, Florida Statutes; and other applicable provisions of law, each as amended (collectively, the "Act"); and Resolution No. 2018-18, adopted by the Village Council of the Issuer (the "Village Council") on October 17, 2018, (the "Land Purchase Resolution"), Resolution No. 2018-22, adopted by the Village Council on December 12, 2018 (the "Commitment Resolution"), and Resolution No. 2019-__, adopted by the Village Council on January 9, 2019 (the "Note Resolution" and, together with the Land Purchase Resolution and the

Commitment Resolution, the "Resolutions"). All terms not otherwise defined herein shall have the meanings ascribed thereto in the Loan Agreement.

In rendering this opinion, we have examined such proceedings and records of the Borrower and made such inquiry of officials of the Borrower as we deem necessary. Based on such review, and such other considerations of law and fact, as we believe to be relevant, we are of the opinion that:

(a) The Borrower is a municipality duly organized and validly existing under the Constitution and laws of the State of Florida. The Borrower has the legal right and all requisite power and authority to acquire the Project, to issue the Note, to enter into the Loan Agreement, to covenant to budget and appropriate Non-Ad Valorem Revenues to the payment of the Note, to adopt the Resolutions, and to consummate the transactions contemplated thereby and otherwise to carry on its activities and own its property.

(b) The Borrower has duly authorized the acquisition of the Project, duly adopted the Resolutions, and authorized, executed, and delivered the Loan Agreement and the Note, and such instruments are legal and binding obligations of the Borrower enforceable against the Borrower in accordance with their terms, except to the extent that the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights heretofore or hereafter enacted and that their enforcement may be subject to the exercise of judicial discretion in accordance with general principles of equity, and to the sovereign police powers of the State of Florida and the constitutional powers of the United States of America.

(c) The execution and delivery of the Resolutions, the Loan Agreement, and the Note; the consummation of the transactions contemplated thereby; the acquisition of the Project; and the fulfillment of or compliance with the terms and conditions of the Resolutions, the Loan Agreement, and the Note does not and will not conflict with or result in a material breach of or default under any of the terms, conditions, or provisions of any agreement, contract, or other instrument, or law, ordinance, regulation, or judicial or other governmental order, to which the Borrower is now a party or it or its properties is otherwise subject or bound, and the Borrower is not otherwise in violation of any of the foregoing in a manner material to the transactions contemplated by the Resolutions, the Loan Agreement, or the Note.

(d) There is no litigation or legal or governmental action, proceeding, inquiry, or investigation pending or, to the best of our knowledge, threatened by governmental authorities or to which the Borrower is a party or of which any property of the Borrower is subject, which has not been specifically described in writing to the Council and the Lender and which, if determined adversely to the Borrower, would individually or in the aggregate materially and adversely affect the validity or the enforceability of the Resolutions, the Loan Agreement, the

Note, or materially and adversely affect the properties, prospects, or condition (financial or otherwise) of the Borrower, or the existence or powers or ability of the Borrower to enter into and perform its obligations under the Resolutions, the Loan Agreement, or the Note.

(e) All approvals, consents, waivers, authorizations, and orders of any governmental authority or agency having jurisdiction in any matter which would constitute a condition precedent to the performance by the Borrower of its obligations under the Resolutions, the Loan Agreement, or the Note have been obtained and are in full force and effect and the Borrower has complied with all conditions precedent to the issuance of the Note contained in the resolutions and ordinances of the Borrower, in particular the Resolutions.

(f) The Resolutions and all other proceedings pertinent to the validity and enforceability of the Note and the source of security described therein have been duly and validly adopted or undertaken in compliance with all applicable procedural requirements of the Borrower and in compliance with the Constitution and laws of the State, including the Act.

The addressees hereof and their successors and assigns are entitled to rely on this opinion.

Very truly yours,

By: _____

EXHIBIT C

FORM OF NOTE

ANY OWNER SHALL, PRIOR TO BECOMING AN OWNER, EXECUTE A LENDER'S CERTIFICATE IN THE FORM ATTACHED TO THE NOTE RESOLUTION (HEREIN DEFINED) CERTIFYING, AMONG OTHER THINGS, THAT SUCH OWNER IS AN "ACCREDITED INVESTOR" AS SUCH TERM IS DEFINED IN THE SECURITIES ACT OF 1933, AS AMENDED, AND REGULATION D THEREUNDER.

R-1

\$20,000,000

VILLAGE OF ESTERO, FLORIDA
TAXABLE REVENUE NOTE, SERIES 2019

<u>RATE OF INTEREST</u>	<u>MATURITY DATE</u>	<u>DATE OF ISSUE</u>
4.01%	May 1, 2029	January 14, 2019

KNOW ALL MEN BY THESE PRESENTS that the Village of Estero, Florida a Florida municipal corporation (the "Issuer"), for value received, hereby promises to pay from the sources hereinafter provided, to the order of Capital Bank, a Division of First Tennessee Bank National Association, or its registered assigns (hereinafter, the "Owner"), the principal sum of \$20,000,000, in the amounts and on the dates described below, together with interest on the principal balance at a rate of 4.01%, semi-annually on each May 1 and November 1 (each, an "Interest Payment Date"), commencing May 1, 2019. Interest shall be calculated on the basis of twelve 30-day months and a 360-day year. Principal and interest on this Note is payable pursuant to the amortization schedule attached hereto as Schedule I.

On or before each Interest Payment Date and Principal Payment Date, as applicable, the principal of and interest on this Note are payable in lawful money of the United States of America by wire transfer in accordance with written instructions delivered by the Owner to the Issuer, or by such other medium acceptable to the Issuer and to the Owner. The Note shall not be required to be presented for prepayment or principal installment payments.

Optional Prepayment. This Note or principal installments hereof shall, at the option of the Issuer, be subject to optional prepayment in whole or in part, at any time, from proceeds of a refunding debt issuance from a lending institution other than the Owner, at the prepayment price of par, plus accrued interest through the date of prepayment, plus the following premiums, expressed as a percentage of the principal amount thereof, if prepaid in the following years: (a) 0.5% if prepaid before May 1, 2025; and (b) without premium if prepaid on or after May 1, 2025.

This Note or principal installments hereof shall, at the option of the Issuer, be subject to prepayment in whole or in part, at any time, from any legally available revenues of the Issuer (provided such legally available revenues do not constitute proceeds of a refunding debt issuance from a lending institution other than the Owner), at the prepayment price of par, plus accrued interest through the date of prepayment, without premium.

Extraordinary Prepayment. This Note or principal installments hereof shall be subject to extraordinary prepayment in whole or in part, at any time, from proceeds of the sale of any portion of the Project, at the prepayment price of par, plus accrued interest to the date of prepayment, and without prepayment premium.

This Note or principal installments hereof shall be subject to extraordinary prepayment in whole or in part, at any time, from proceeds of the any grants awarded to the Issuer related to the Project, at the prepayment price of par, plus accrued interest to the date of prepayment, and without prepayment premium.

Upon the Issuer's receipt of proceeds of the sale of any portion of the Project or proceeds of any grants awarded to the Issuer, the extraordinary prepayment of this Note as described above, shall be made as quickly as reasonably possible, with due diligence, and in any event no later than the date six months from the Issuer's receipt of the sale proceeds or grant proceeds being used for such extraordinary prepayment.

If any date for the payment of principal hereof and interest hereon or the taking of any action hereunder shall fall on a day which is not a Business Day, the payment due or action to be taken on such date shall be due on the next succeeding day which is a Business Day, but the Issuer shall not receive credit for the payment until it is actually received by the Owner.

This Note is issued to finance all or a portion of the Costs of the Project under the authority of and in full compliance with Article VIII, Section 2 of the Florida Constitution; Chapter 125, Florida Statutes; Chapter 159, Part VII, Florida Statutes; Chapter 166, Florida Statutes; and other applicable provisions of law, each as amended (collectively, the "Act"); Resolution No. 2019-____, adopted by the Village Council of the Issuer (the "Village Council") on January 9, 2019 (the "Resolution"); and pursuant to a Loan Agreement by and among the Owner, the Issuer, and the Council, dated as of January 1, 2019 (the "Loan Agreement"), to which reference should be made to ascertain those terms and conditions. All capitalized undefined terms used herein shall have the meanings ascribed to such terms in the Loan Agreement.

This Note is payable from and secured solely by a covenant to budget and appropriate Non-Ad Valorem Revenues, as defined and described in the Loan Agreement, all in the manner provided in, and subject to the terms and conditions of the Resolution and the Loan Agreement.

THIS NOTE SHALL NOT BE OR CONSTITUTE A GENERAL OBLIGATION OR INDEBTEDNESS OF THE ISSUER AS "BONDS" WITHIN THE MEANING OF ARTICLE VII, SECTION 12 OF THE FLORIDA CONSTITUTION, BUT SHALL BE PAYABLE FROM AND SECURED SOLELY BY BUDGETED AND APPROPRIATED NON-AD VALOREM REVENUES IN ACCORDANCE WITH THE TERMS OF THE RESOLUTION AND THE LOAN AGREEMENT. NO OWNER OF THIS NOTE SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER TO PAY THIS NOTE, OR BE ENTITLED TO PAYMENT OF THIS NOTE FROM ANY FUNDS OF THE ISSUER EXCEPT FROM BUDGETED AND APPROPRIATED NON-AD VALOREM REVENUES AS DESCRIBED IN THE RESOLUTION AND THE LOAN AGREEMENT.

This Note may be exchanged or transferred in whole only by the Owner hereof but only upon the registration books maintained by the Issuer and in the manner provided herein. The Owner of this Note shall have the right at any time to assign, transfer, or convey this Note, but no such assignment, transfer, or conveyance shall be effective as against the Issuer unless and until the Owner has delivered to the Issuer 30-days written notice thereof that discloses the name and address of the assignee and such assignment, transfer, or conveyance shall be made only to (i) an affiliate of the Owner of this Note, or (ii) any bank, trust company, savings institution, insurance company that is engaged as a regular part of its business in making loans in the State of Florida, or an accredited investor as defined in the Securities Act of 1933, as amended and Regulation D thereunder, or subsidiaries of the entities listed in (i) above; provided, however, such assignment, transfer, or conveyance shall not occur without the filing of an investor letter in form and substance similar to the Lender Certificate attached to the Resolution. Assignment of this Note shall without further action be deemed to assign the Owner's interest under the Loan Agreement.

Neither the members of the Village Council nor any person executing this Note shall be liable personally hereon or be subject to any personal liability or accountability by reason of the issuance hereof.

The Issuer has entered into certain additional covenants with the Owner of this Note, for the terms of which reference is made to the Loan Agreement.

It is hereby certified and recited that all acts, conditions, and things required by the Act to be performed, to exist and to happen precedent to and in connection with the issuance of this Note, have been performed, exist and have happened in regular and due form and time as so required.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Village of Estero, a Florida municipal corporation, has issued this Note and has caused the same to be signed by the Vice Mayor and countersigned and attested to by the Village Clerk and approved as to form and legal sufficiency by the Village Attorney and its seal to be affixed, impressed, imprinted, lithographed, or reproduced hereon, all as of the 14th day of January, 2019.

VILLAGE OF ESTERO, FLORIDA, a Florida
Municipal Corporation

(SEAL)

By: _____
Name: James R. Boesch
Title: Mayor

ATTESTED BY:

By: _____
Name: Kathy Hall, MMC
Title: Village Clerk

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

By: _____
Name: Burt Saunders, Esq.
Title: Village Attorney

CERTIFICATE OF AUTHENTICATION

Dated: January 14, 2018

This is the Note described in the within defined Loan Agreement and this Note is hereby duly authenticated and registered.

VILLAGE OF ESTERO, FLORIDA, a Florida
Municipal Corporation

By: _____
Authorized Officer

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns, and transfers unto

[Insert Name, Address, Social Security or Other Identifying Number of Assignee]
the within note and does hereby irrevocably constitute and appoint _____ as
attorneys to register the transfer of the said note on the books kept for registration thereof with
full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be
guaranteed by a member firm of the New
York Stock Exchange or a commercial
bank or trust company.

NOTICE: The signature to this assignment
must correspond with the name of the Owner
as it appears upon the face of the within note
in every particular, without alteration or
enlargement or any change whatever and the
Social Security or other identifying number of
such assignee must be supplied.

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 applicable laws or
regulations:

TEN COM -- as tenants in common
TEN ENT -- as tenants by the entireties
JT TEN -- as joint tenants with right of survivorship and not as tenants in common
UNIF TRANS MIN ACT -- _____
(Cust.)

Custodian for _____
under Uniform Transfer to Minors Act of _____
(State)

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

SCHEDULE I

DEBT SERVICE SCHEDULE

<u>Payment Date</u>	<u>Principal Amount</u>	<u>Interest Amount</u>
05/01/2019	\$768,416.00	\$238,372.22
11/01/2019		385,593.26
05/01/2020	644,610.00	385,593.26
11/01/2020		372,668.83
05/01/2021	670,459.00	372,668.83
11/01/2021		359,226.13
05/01/2022	697,344.00	359,226.13
11/01/2022		345,244.38
05/01/2023	725,308.00	345,244.38
11/01/2023		330,701.95
05/01/2024	754,392.00	330,701.95
11/01/2024		315,576.39
05/01/2025	784,644.00	315,576.39
11/01/2025		299,844.28
05/01/2026	816,108.00	299,844.28
11/01/2026		283,481.32
05/01/2027	848,834.00	283,481.32
11/01/2027		266,462.19
05/01/2028	882,872.00	266,462.19
11/01/2028		248,760.61
05/01/2029	12,407,013.00	248,760.61

EXHIBIT B

THE LOAN COMMITMENT



November 14, 2018 (Revised 12-12-18)

Village of Estero, Florida
9401 Corkscrew Circle
Estero, FL 33928

Re: RFP for \$20,000,000 Term Loan

Capital Bank, a Division of First Tennessee Bank National Association (the "Lender") is pleased to offer the following credit facilities commitment to Village of Estero, Florida (the "Borrower") subject to the following terms and conditions. The following information is inclusive of the primary terms and conditions of the commitment, but does not necessarily represent all of the terms and conditions (the "Commitment" or the Commitment Letter). The extensions of credit contemplated in this Commitment Letter shall hereinafter be referred to as the "Loan". Conditions or terms that are not covered or made clear below are subject to mutual agreement of all parties.

This Commitment Letter and related documents are the confidential work of the Lender and, as such, represent intellectual property not to be shared with other financial institutions or other third parties without Lender's consent except (a) to your officers, agents and advisors who are directly involved in this matter or (b) as may be compelled in a judicial or administrative proceeding or as otherwise required by law (in which case you agree to inform us promptly).

Capital Bank is a part of First Horizon National Corp (FHN on NYSE) which also operates First Tennessee Bank. First Tennessee just celebrated its 154th birthday and is the 14th oldest national bank charter in the United States. Our geographic territory is the Southeast United States with total assets of just over \$40 billion (See attached Corporate summary).

As a long time Estero resident (since 1992), I am thrilled that the Village has approved the purchase of this conservation land and would be proud to be a part of seeing it to completion with the offer to finance attached.

Sincerely,

Meriem Allgood

Meriem Allgood
Senior Vice President
Commercial Banking

**APPENDIX A
REQUEST FOR PROPOSAL
\$20,000,000
VILLAGE OF ESTERO, FLORIDA
REQUEST FOR PROPOSAL FOR TAXABLE LOAN (NON-REVOLVING)**

PROPOSER: CAPITAL BANK, A DIVISION OF FIRST TENNESSEE BANK, NATIONAL ASSOCIATION
6435 NAPLES BLVD, NAPLES, FL 34109

CONTACT: MERIEM ALLGOOD
SENIOR VICE PRESIDENT
COMMERCIAL BANKING
MERIEM.ALLGOOD@CAPITALBANK-US.COM
239-552-1018 OFFICE
239-596-4695 FAX

BORROWER: VILLAGE OF ESTERO

CREDIT FACILITY: NOT TO EXCEED \$20,000,000 TERM LOAN ("TERM LOAN")

PURPOSE: PURCHASE OF 62.2 ACRES OF LAND ADJACENT TO THE ESTERO RIVER

LEGAL EXPENSES: NOT TO EXCEED \$6,000

BANK COUNSEL: CHRISTOPHER M. HINSLEY, ESQUIRE
JONES WALKER LLP
201 SOUTH BISCAYNE BLVD
SUITE 2600
MIAMI, FL 33131
305-679-5700 OFFICE

LENDER CREDIT RATING: MOODY'S

- LONG TERM AS OF MAY 2, 2017 - BAA3
- SHORT TERM - NONE
- OUTLOOK - STABLE

FITCH

- LONG TERM AS OF MAY 22, 2018 - BBB-
- SHORT TERM AS OF MAY 22, 2018 - F3
- OUTLOOK - POSITIVE

PARTICIPATING BANKS: NONE

ANNUAL FEES: NONE

UNUSED FEES: NONE

TERM: FINAL MATURITY OF MAY 1, 2029

AMORTIZATION: TWENTY (20) YEARS

INTEREST RATE : OPTION B SELECTED: A FIXED INTEREST RATE EQUAL TO THE TEN (10) YEAR TREASURY RATE YIELD PLUS ONE HUNDRED TEN (110) BASIS POINTS. AS OF THE END OF BUSINESS ON 12-12-18, THE TREASURY RATE YIELD WAS 2.91%. THEREFORE, THE ALL IN RATE IS LOCKED AT 4.01% FOR A PERIOD OF 33 DAYS FROM 12-11-18 OR JANUARY 15, 2019.

IF THE FACILITY DOES NOT CLOSE AND FUND BY 1-15-19, THE RATE IS SUBJECT TO A RESET OR CHANGE BASED ON THE ABOVE INDEXES. IN ADDITION, THE BORROWER WILL OWE LENDER A THREE (3) BASIS POINT OR \$6,000 PENALTY WILL APPLY IF THE FACILITY NOT CLOSED AND FUNDED.

PAYMENTS: INTEREST PAID SEMI-ANNUALLY ON MAY 1 AND NOVEMBER 1 BEGINNING MAY 1, 2019. PRINCIPAL PAID ANNUALLY ON MAY 1 WITH AN AMORTIZED TWENTY (20) YEAR LEVEL DEBT SERVICE BEGINNING MAY 1, 2019.

PREPAYMENT: PRIOR TO MAY 1, 2025 A PREPAYMENT PENALTY OF 50 BASIS POINTS WILL BE CHARGED ON THE AMOUNT OF PRINCIPAL OUTSTANDING ON THAT DATE IF THE LOAN IS PAID IN FULL FROM REFINANCE WITH ANOTHER INSTITUTION OR LENDER.

AFTER MAY 1, 2025, NO PENALTY APPLIED.

EXTRAORDINARY PREPAYMENT: NO PREPAYMENT PENALTY WILL BE APPLIED TO MANDATORY PRINCIPAL REDUCTIONS FROM THE SALE OF SURPLUS LAND (AS DEFINED IN THE RESOLUTION). BORROWER WILL ALSO BE ALLOWED TO MAKE PENALTY FREE PRINCIPAL REDUCTIONS WITH GRANT PROCEEDS OR OTHER AVAILABLE VILLAGE FUNDS. THE REDUCTIONS FROM SURPLUS LAND SALE MUST BE MADE WITHIN THE FOLLOWING INTEREST DUE DATE OF THE SALE AND NO LATER THAN THE INTEREST PAYMENT DUE DATE SIX (6) MONTHS OF THE SALE DATE.

COVENANTS & SECURITY: THE BORROWER COVENANTS TO BUDGET AND APPROPRIATE LEGALLY AVAILABLE NON-AD VALOREM REVENUES TO PAY LOAN DEBT SERVICE. IN ADDITION, AN ANTI-DILUTION TEST WILL BE REQUIRED AT LEAST 1.5X MAXIMUM ANNUAL DEBT SERVICE OF DEBT SECURED BY LEGALLY AVAILABLE NON-AD VALOREM REVENUES, WITH MAXIMUM ANNUAL DEBT SERVICE OF DEBT SECURED BY LEGALLY NON-AD VALOREM REVENUES NOT EXCEEDING 20% OF THE BORROWER'S GOVERNMENTAL FUND REVENUES.

FINANCIAL REPORTING: THE BORROWER TO PROVIDE AN UNQUALIFIED AUDITED FISCAL YEAR END FINANCIAL STATEMENT WITHIN 270 DAYS OF FISCAL YEAR END ON AN ANNUAL BASIS.

CONDITIONS PRECEDENT: FAVORABLE OPINION OF THE BORROWER'S COUNSEL.

DEPOSITORY: LENDER IS NOT REQUIRING A DEPOSITORY RELATIONSHIP

LENDER'S FEI: #62-0201385

EXPIRATION DATE: THE FACILITY MUST BE CLOSED BY MARCH 1, 2019.

EXHIBIT C

FORM OF LENDER CERTIFICATE

This is to certify that Capital Bank, a Division of First Tennessee Bank National Association (the "Lender"), has not required the Village of Estero, Florida (the "Issuer") to deliver any offering document and has conducted its own investigation, to the extent it deems satisfactory or sufficient, into matters relating to business affairs or conditions (either financial or otherwise) of the Issuer in connection with the issuance of the \$20,000,000 Village of Estero, Florida Taxable Revenue Note, Series 2019, dated January 14, 2019 (the "Note"), and no inference should be drawn that the Lender, in the acceptance of the Note, is relying on Bryant Miller Olive, P.A. ("Note Counsel") or GrayRobinson, P.A. ("Issuer's Counsel") as to any such matters other than the legal opinions rendered by Note Counsel and Issuer's Counsel, respectively. Any capitalized undefined terms used herein not otherwise defined shall have the meanings set forth in the Loan Agreement, dated as of January 1, 2019, by and among the Florida Municipal Loan Council (the "Council"), the Issuer, and the Lender (the "Loan Agreement").

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

We are aware that investment in the Note involves various risks, that the Note is not a general obligation of the Council or the Issuer and that the payment of the Note is secured solely from the sources described in the Resolution and the Loan Agreement (the "Security"). We have made such independent investigation of the Security as we, in the exercise of sound business judgment, consider to be appropriate under the circumstances. In making our investment decision, we have relied upon the accuracy of information that has been provided to us by the Council and the Issuer.

We have been advised by the Council that the Council is a "municipal entity" under Section 15B(e)(8) of the Securities Exchange Act of 1934 (15 U.S.C.A.) and that it is not a municipal advisor to the Issuer and is not acting as such in providing services in facilitating the issuance of the Note. We have also been advised by the Council that neither the Council nor its financial advisor, Public Resources Advisory Group, are acting as a broker or dealer with respect to the Note nor is the loan being distributed as a security or otherwise marketed by the Council.

Neither we nor any of our affiliates shall act as a fiduciary for the Issuer or in the capacity of broker, dealer, municipal securities underwriter, or municipal advisor with respect to the proposed issuance of the Note. Neither we nor any of our affiliates has provided, and will not provide, financial, legal, tax, accounting, or other advice to or on behalf of the Issuer with respect to the proposed issuance of the Note. The Issuer has represented to us that it has sought and obtained financial, legal, tax, accounting, and other advice (including as it relates

to structure, timing, terms, and similar matters) with respect to the proposed issuance of the Note from its financial, legal, and other advisors (and not us or any of our affiliates) to the extent that the Issuer desired to obtain such advice.

We have been advised by the Issuer that the Resolution and the Loan Agreement are not being qualified under the Trust Indenture Act of 1939, as amended (the "1939 Act"), and the Note is not being registered in reliance upon the exemption from registration under Section 3(a)(2) of the Securities Act of 1933, Section 517.051(1), Florida Statutes, and/or Section 517.061(7), Florida Statutes, and that neither the Issuer, Council, Note Counsel, nor Issuer's Counsel shall have any obligation to effect any such registration or qualification.

We are not acting as a broker or other intermediary and understand that the Council is not acting in that capacity, and we are purchasing the Note as an investment for our own account and not with a present view to a resale or other distribution to the public. We understand that the Note may not be transferred in a denomination less than the par amount outstanding at the time of transfer and without the filing of an investor letter from the new purchaser in form and substance similar to this letter.

We are a bank, trust company, savings institution, insurance company, dealer, investment company, pension or profit-sharing trust, or qualified institutional buyer as contemplated by Section 517.061(7), Florida Statutes. We are not purchasing the Note for the direct or indirect promotion of any scheme or enterprise with the intent of violating or evading any provision of Chapter 517, Florida Statutes.

We are an "accredited investor" within the meaning of the Securities Act of 1933, as amended, and Regulation D thereunder.

DATED this 14th of January, 2019.

CAPITAL BANK, a Division of First
Tennessee Bank National Association

By: _____
Name: Meriem Allgood
Title: Senior Vice President

EXHIBIT D

DISCLOSURE LETTER

The undersigned, as lender, proposes to negotiate with the Village of Estero, Florida (the "Issuer") for the extension of credit to the Issuer through the private purchase of the Issuer's \$20,000,000 Village of Estero, Florida Taxable Revenue Note, Series 2019 (the "Note"). Prior to the award of the Note, the following information is hereby furnished to the Issuer:

1. Set forth is an itemized list of the nature and estimated amounts of expenses to be incurred for services rendered to us (the "Lender") in connection with the issuance of the Note:

Jones Walker LLP, Lender's Counsel
\$6,000

2. (a) No other fee, bonus, or other compensation is estimated to be paid by the Lender in connection with the issuance of the Note to any person not regularly employed or retained by the Lender (including any "finder" as defined in Section 218.386(1)(a), Florida Statutes).

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

3. The amount of the underwriting spread expected to be realized by the Lender is \$0.

4. The management fee to be charged by the Lender is \$0.

5. Truth-in-Bonding Statement:

The Issuer is proposing to issue the Note in the principal amount of \$20,000,000 to finance the costs of certain capital improvements as described in Resolution No. 2019-____ (the "Resolution"), and the Loan Agreement, dated January 1, 2019, by and among the Issuer, the Lender, and the Florida Municipal Loan Council (the "Loan Agreement").

Based solely on calculations provided by Public Resources Advisory Group, the Note is expected to be repaid over a period of approximately 10.3 years. At a forecasted interest rate of 4.01%, total interest paid over the life of the Note is estimated to be approximately \$6,653,490.90. The source of repayment or security for the Note is a covenant to budget and appropriate Non-Ad Valorem Revenues (as defined in the Loan Agreement). Issuance of the Note is estimated to result in an annual average of approximately \$2,588,415.63 of the Non-

Ad Valorem Revenues not being available to finance the other services of the Issuer during the life of the Note for approximately 10.3 years. This paragraph is provided pursuant to section 218.385, Florida Statutes.

6. The name and address of the Lender is as follows:

Capital Bank
6435 Naples Blvd.
Naples, Florida 34109

IN WITNESS WHEREOF, the undersigned has executed this Disclosure Letter on behalf of the Lender this 14th day of January, 2019.

CAPITAL BANK, a Division of First
Tennessee Bank National Association

By: _____
Name: Meriem Allgood
Title: Senior Vice President