The Verano
Community Development District

What You
Should Know About
The Verano
Community Development
District

This information is being provided to you by the Board of Supervisors of The PGA Village Verano Community Development District (the "**District**"). The descriptions and representations contained herein reflect information as of September 10, 2010.

What is The Verano Community Development District?

The District is a local unit of special-purpose government to be created pursuant to and governed by Chapter 190, Florida Statutes. The District was created and it is anticipated to encompass approximately Three Thousand (3,000) acres. The District was established to plan, finance, construct, operate and maintain various public improvements and community facilities within its jurisdiction. The District consists of the Verano Center Community Development District (the Center District) and Verano Community Development Districts #1 through #5. The Center District will administer, organize, coordinate and fund the installation of the Community Infrastructure for the entire Development on behalf of District #1 through #5. District #1 is approximately 400 acres consisting of approximately 1,100 homes and 90,000 sq ft of commercial.

What is the function of The Verano Community Development District?

The District will be created to plan, finance, construct, operate and maintain various public improvements and community facilities. These include, but are not limited to: surface water management system, water and sewer facilities, public parks, roadway improvements, landscaping, and other infrastructure and facilities required by development order or governmental agreement.

Who governs The Verano Community Development District?

The Center and Districts #1 through #5 will be governed by a five (5) member Board of Supervisors to be elected initially by District landowners on a one-acre/one-vote basis. No sooner than six years after the initial election of Supervisors, and not before there are at least two hundred fifty (250) qualified electors (registered voters) in each District, election of Supervisors by the District's qualified electors and landowners will begin. The District Manager, who will be appointed by the Board of Supervisors, will oversee day-to-day operations of the District

What benefits may District landowners expect to receive as a result of their investment?

District landowners may expect to receive three (3) major classes of benefits. First, the District will provide landowners with consistently high levels of public facilities and services managed and financed through self-imposed fees and assessments. Second, the District ensures that these community development facilities and services will be completed concurrently with other parts of the development. Third, District landowners and electors choose the Board of Supervisors and through these representatives are able to determine the type, quality and expense of District facilities and services.

How will District assessments be determined?

The annual assessment for each property will be determined based upon projected lot size. The District levies an assessment against your property each year that represents you're pro rata share of the cost of the public infrastructure financed by the District. Included in the assessment is your pro rata share of the cost to administer the District.

Each property owner will pay an annual assessment to the District based on two (2) component costs: the debt service component and the maintenance component. The debt service component is the fixed amount required to amortize the debt for the facilities acquired or constructed by the District. The maintenance component is an annual assessment for District operations and maintenance of District facilities. The annual installment varies in relation to the infrastructure benefit allocated to the property assessed. Each year, the District Board holds a public hearing to set the budget and the level of assessments. In this way, District residents will know each year's assessment in advance.

The assessment will appear on your property tax bill that you receive in November of each year. If you have a mortgage on your property and your taxes are escrowed, your assessments will be included in your monthly mortgage payment. In such case, your tax bill will go directly to your mortgage company and be paid from your escrow account.

What can I expect to pay annually for debt service and maintenance?

The District has currently issued approximately $11,500,000.00 of up to $23,000,000.00 in bonds for a benefit of up to $23,000,000.00 in public infrastructure improvements necessary for the development of PGA Village Verano – Verano Community Development District #1. The bonds are financed over a 30-year period. The Developer will pay the remaining balance required for the improvements.

When you purchase your home, the amount the District will finance will not be included in the price of your home. Also, you will only pay for the District improvements while you own your home. If you sell your home before District bonds are paid off, the next owner becomes responsible for paying his or her share of the cost of the improvements.

The debt service component of the annual assessment will not exceed the target maximum annual capital assessment amount during the 30-year amortization period for the bonds. Such amount will be between approximately $1,050.00 and $1,580.00 per year per home, which may vary depending on the type of home or the location of the property within the District.

The maintenance component may vary based upon the budget adopted each year subsequent to a published, public hearing. For 2011, the maintenance assessment amount is approximately $145.00 per year per home, which amount may vary from time to time.

Do I pay more taxes if I live in The Verano Community Development District?

Yes, in a sense. In addition to service charges and taxes which would be collected by the county, city or school board, notwithstanding the existence of the District, landowners will also pay non-ad valorem special assessments for the capital costs, operation and maintenance of additional District facilities and services. While not technically taxes, the District assessments will appear on your real estate tax bill. They not only allow you to receive more value for your home purchase dollar, but also contribute to enhanced property values over time. This is because certain facilities such as parks, roadways, Lakes and landscaping are made possible by the District. Many of these facilities also will be permanently maintained by the District.

How do I find out more about The Verano Community Development District?

If you would like to have more information about The Verano Community Development District, call the District Manager, Rich Hans, at (954) 721-8681 ext. 201.

This document is provided for general informational purposes and may not be relied upon as a basis to acquire a residence within The Verano Community Development District.

.

THE VERANO COMMUNITY DEVELOPMENT DISTRICT MAY IMPOSE AND LEVY TAXES OR ASSESSMENTS, OR BOTH TAXES AND ASSESSMENTS, ON THIS PROPERTY. THESE TAXES AND ASSESSMENTS PAY THE CONSTRUCTION, OPERATION, AND MAINTENANCE COSTS OF CERTAIN PUBLIC FACILITIES AND SERVICES OF THE DISTRICT AND ARE SET ANNUALLY BY THE GOVERNING BOARD OF THE DISTRICT. THESE TAXES AND ASSESSMENTS ARE IN ADDITION TO COUNTY AND OTHER LOCAL GOVERNMENTAL TAXES AND ASSESSMENTS