

Meeting Summary
Fiddler's Creek CDD#1
May 26, 2010

The joint meeting of CDD#1 & CCDD#2 was called to order at 8:00 AM by the District Manager, Chuck Adams. All Supervisors of both boards were present.

The primary focus of the meeting was an update and discussion by attorneys representing Fiddler's Creek LLC (developer), the CDD bondholders, the CDD bondholder's trustee and the CDDs, as to the status of the bankruptcy case as well as a proposal to the Districts by the developer with respect to payment of Operating and Maintenance Assessments.

Essentially, the developer was proposing that IF the Districts withdrew their objection to the employment of Moelis, an investment banking firm who would seek outside investment capital and IF the Districts withdrew their objection to the interim DIP (Debtor in Possession) loan, the developer would commit to continue to fund O&M assessments and any shortfall in funds necessary to maintain the property. On the other hand, the bondholder's trustee attorneys made demands on the Districts to NOT withdraw their objection and additionally demanded additional motions be filed by the Districts in the bankruptcy court. Further, if the bondholder's demands were not met, a lawsuit against the Districts would go forward to force them to do so.

After considerable discussion, the attorneys retired (via phone) from the meeting room to discuss a potential compromise. Upon return, a possible "deal" was said to be in the making but the bondholders would have to be consulted and therefore a request was made to "continue" our meeting until June 2, 2010 at 8:00AM which did occur.

When the continued meeting convened on June 2nd, the Chair requested both the developer's attorney and the bondholder Trustee's attorney to state their positions. Essentially, no deal had been consummated and therefore the decision rested with the Districts as to how to proceed.

After considerable debate, both CDD#1 and CDD#2 Boards voted in the majority to accept the offer of the developer to continue to pay off roll O&M assessments, commit to pay future on roll O&M assessments and to fund any

shortfall in operating funds in return for the Districts to withdraw our objections to the employment of Moelis and the interim DIP loan. At least in the short term, this decision will preclude any need for a Special Assessment on the owners in Fiddler's Creek to fund O&M shortfalls.

Other routine business was conducted in the regular meeting and resolutions were adopted by both Boards which begin the annual budgeting process.