

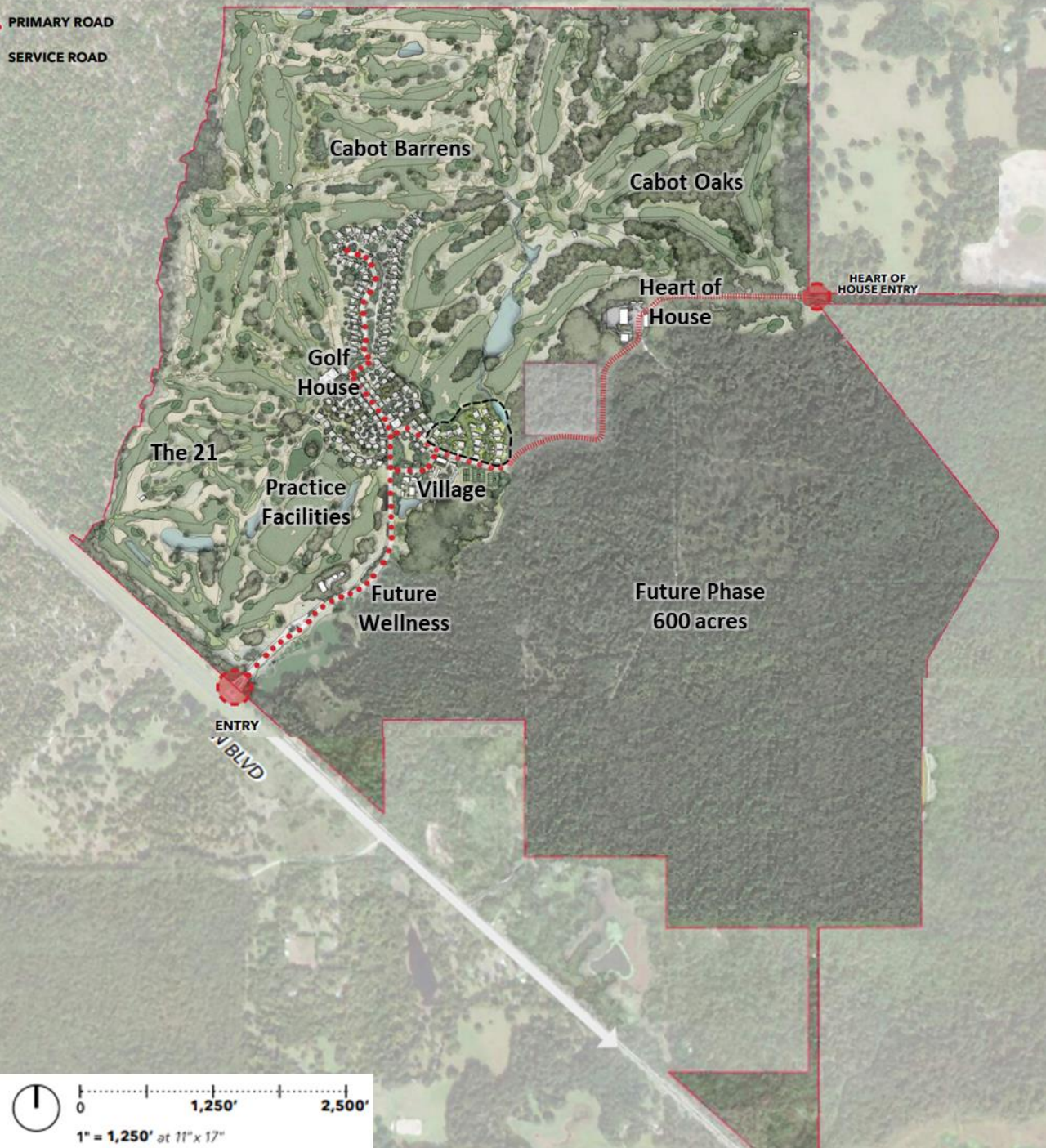
Cabot Citrus Farms & Hernando County

Community Development District & Public Private Partnership



Review: Approved Master Plan

- Cabot purchased World Woods Golf Club to redevelop what once was an iconic asset home to a World Top 100 golf course in the 1990's
- Our vision for Cabot Citrus Farms is a publicly-accessible luxury resort community, grounded in a walkable village with:
 - 57 holes of golf and extensive practice facilities
 - A central Golf House with overnight accommodation, meeting space, and multiple dining options
 - A vibrant marketplace with dining & retail outlets
 - Lifestyle amenities including health & wellness center, pools complex, rackets facilities, a 5-stand clay shooting, and miles of nature trails
- The building and landscape aesthetic is inspired by Southern hospitality and reflects a strong sense of place (laid-back feel, stand-alone buildings and meandering brick walkways)
- Cabot Citrus Farms will provide guests & the community with an opportunity to re-connect with nature & experience all the Nature Coast has to offer
- Cabot is committed to achieving Platinum Signature Sanctuary Certification from Audubon International, a global leader in sustainability and environmental stewardship



Executive Summary of the Community Development District (“CDD”) at Cabot Citrus Farms

- Like many resort and master planned communities, **Cabot Citrus Farms (“CCF”) is seeking to establish a CDD to support in financing key public infrastructure** for the development (i.e., public roadways, stormwater management systems, on-site utilities, etc.)
- Since its acquisition of World Woods Golf Club in December of 2021, **Cabot Citrus Farms and Hernando County have discussed the opportunity to establish a CDD with a Public-Private Partnership (“P3”) that would utilize a portion of the incremental net tax revenues** generated by CCF to repay CDD debt
- **CCF has had productive discussions with County Administration & Staff** (including the County Attorney’s office, the County’s Finance team, and the County’s Economic Development team) **and the County’s financial advisors**, in order to clarify the benefits of the P3 for Hernando County and CCF:
 - The P3 would allow Cabot Citrus Farms to **accelerate and expand its investment in Hernando County, thereby increasing tax revenues, creating more jobs, elevating the County as a tourism destination, and building additional facilities for the community to enjoy**
 - The **P3 is similar to the existing Economic Development Investment Incentive Program (“EDIIP”)** that Hernando County has previously implemented with projects of significant economic impact. However, the P3’s structure is more favorable for the County:
 - The County would only share a portion of the net incremental tax revenues generated by the Cabot Citrus Farms development
 - **Incremental tax revenues would only be paid in arrears** (i.e., after having been received, measured, and audited by the County)
 - **Money shared under the P3 would flow to the CDD (not Cabot)** and offset portions of the costs of public infrastructure



We believe the P3 with Revenue Share to be mutually beneficial to Cabot Citrus Farms and Hernando County

 <p>Accelerate & increase direct/ indirect tax revenue for Hernando County</p>	 <p>Increase job creation at CCF and impact on local businesses</p>	 <p>Elevate Hernando County as a Tourism Destination</p>	 <p>Increase the number of activities for local residents to enjoy daily</p>
<ul style="list-style-type: none"> • The acceleration of key infrastructure will generate direct and indirect tax revenue for the County sooner • Further, the scope expansion will add tax revenue to the County not previously forecasted from property tax and business activities of each new property 	<ul style="list-style-type: none"> • Cabot strives to encourage surrounding local businesses; A larger operation here will support more businesses for supplies and services • With a larger capacity to accommodate guests, Cabot would refer more guests to local activity providers and 3rd-party operators 	<ul style="list-style-type: none"> • The assets added to the P3 scope will ensure the ability to host larger events and conventions (such as County & community events, professional tournaments, large corporate offsites, etc.), contributing to expanded awareness of Hernando County on a regional, national, and global scale 	<ul style="list-style-type: none"> • True to our vision, community members will be able to enjoy the Village at Citrus Farms – on weekends, days-off, or after work on weekdays • The P3 will enable construction of facilities needed to accommodate groups & events held in Hernando County

Quantifying the impact

~\$9M increase in annual net fiscal surplus to County¹

~\$1B increase in property valuation¹

Incremental 150+ jobs created at Citrus Farms

~1,500+ indirect and induced jobs with P3²

>\$250M in investment in the County¹

Multiple world-class golf facilities

Clubhouse and village with various F&B outlets

Sporting and Health & Wellness facilities



Proposed structure of the Public Private Partnership

Public-Private Partnership (P3)

- **Cabot proposes to form one Community Development District (“CDD”)** pursuant to Chapter 190, FS for Cabot Citrus Farms
 - CDDs are widely used in master planned communities throughout Florida; 10 CDDs were approved by Hernando County between 2000 and 2023
 - Cabot plans for one CDD – likely split in two phases (resort core & future development parcel)
- **Interlocal Agreement to Construct Infrastructure**
 - The Cabot Citrus Farms CDD and the County would enter into an interlocal agreement (“IA”) to fund construction of public infrastructure
 - The CDD would issue bonds to fund construction
 - The CDD would impose special assessments on benefitting properties strictly in Cabot Citrus Farms (incl. property owned by Cabot) to collateralize bonds
 - The County would agree to share a portion of the incremental net revenues with the CDD in order to offset a portion of the annual debt service costs on the bonds that funded the public infrastructure

The Interlocal Agreement (“IA”)

- The IA runs between the CDD and the County
- The IA will identify the public infrastructure to be funded
 - Public roadways in Cabot Citrus Farms and offsite roadway improvements
 - Stormwater drainage systems in Cabot Citrus Farms
 - Utilities on- and off-site
- The IA makes the CDD 100% responsible for the construction and financing of the public infrastructure
- The County’s only obligation is to share a portion of the net revenue generated by Cabot Citrus Farms with the CDD that will pay a portion of the annual debt service on the CDD’s infrastructure bonds
 - The County has no obligations or pledges towards the CDD’s bonds
 - The County only shares a portion of the net tax revenues generated by Cabot Citrus Farms development after they have been received, measured, and audited by the County



These key assets will enable Hernando County and CCF to attract larger groups and host more prestigious tourism events

Main Golf House



Village Marketplace



Village Marketplace and
Fitness & Pool Club

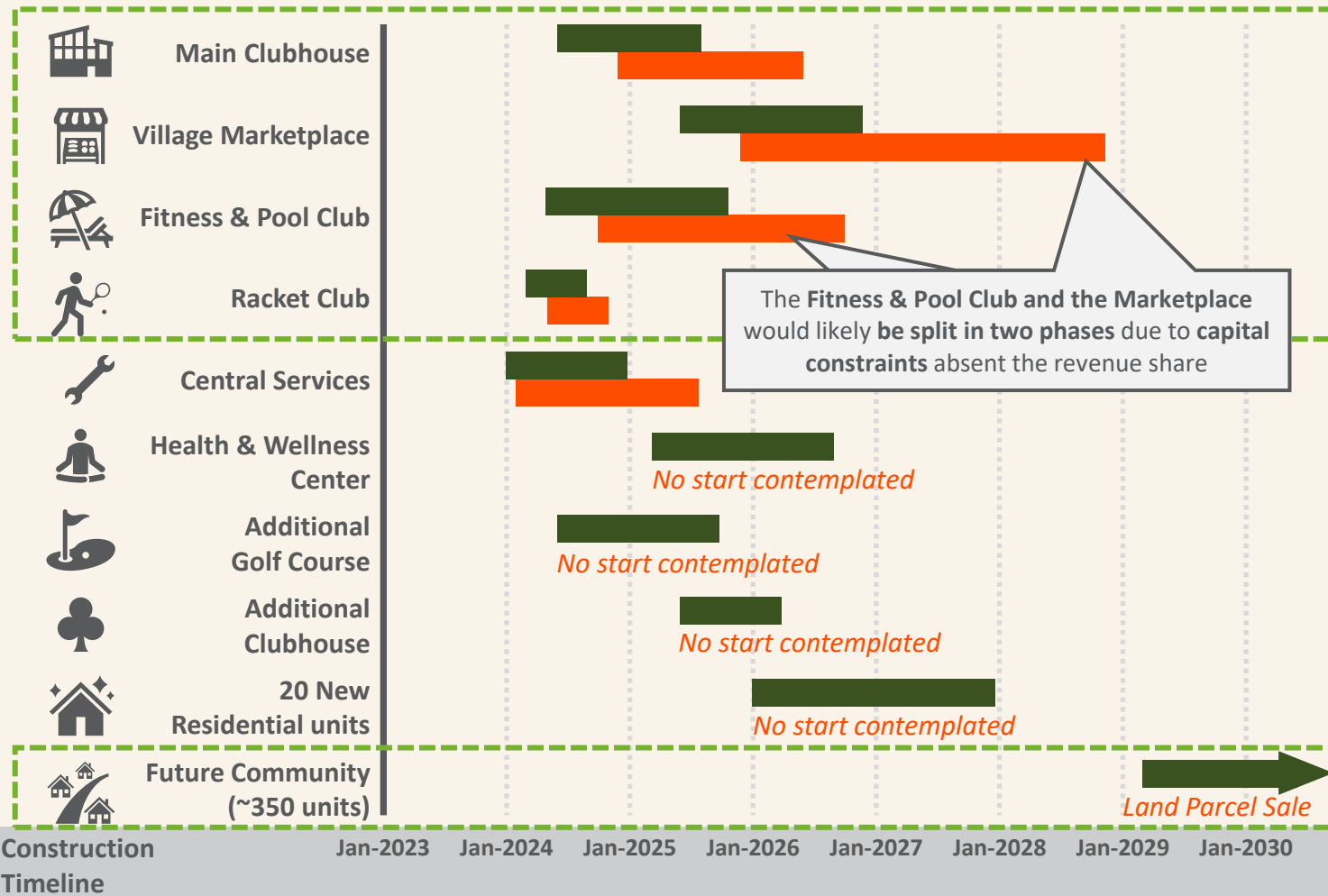


Fitness & Pool Club



The Revenue share will enable the acceleration and the expansion of the development's scope

Legend: With Revenue Share Without Revenue Share Revenue Share Milestone



- The establishment of a **CDD with Revenue Share** enables the...
 - Acceleration of delivery of key infrastructure for Cabot Citrus Farms and Hernando County
 - Addition of structures to the scope of the CCF development, inherently helping to 'build bigger & better'
- A **CDD without Revenue Share** would slow & reduce the rollout of key infrastructure with...
 - Some assets being delayed; built in phases; or built at a slower pace to reduce capital stress for Cabot
 - Several assets that have potential to greatly elevate the experience **not** being contemplated

Cabot would consider selling the underlying land instead of developing it; Potential buyer would likely develop a more traditional sub-division with average home values lower than those historically achieved by Cabot

