

UNIVERSITY PARK RECREATION DISTRICT

February 26, 2019

Dear Residents,

Thank you for your overwhelming positive response to our bond referendum. The district received 1,009 votes out of 1,202 homes for a response rate of over 84%. Furthermore, over 80% voted in favor of authorizing the issuance of long-term bonds to fund the acquisition of the club facilities and land.

Regrettably, a small cadre continues to do everything possible to frustrate the desires of the vast majority of residents. As you know, Richard Garrett ("Mr. Garrett") has filed suit attempting to stop the acquisition. Mr. Garrett's attempt to stop the referendum was rejected by Judge Nicholas' ruling, among other things, that the suit was unlikely to succeed. This litigation is ongoing and may continue for some time.

Some of you may not know that some of your fellow residents sent anonymous letters and other information to Florida Community Bank / Sonovus in an attempt to block the District's short-term operating loan. Unfortunately, they succeeded and this bank will not fund our loan.

The District is in process of attempting to find another bank to provide the operating loan. We believe this likely will be based on the strength and commitment of community that has been shown in supporting the District and the acquisition of the club facilities.

Our plan was and is to acquire the club facilities as soon as possible. Once acquired by the District, the net operating income of the club will be more than sufficient to pay for the operating costs of the district as well as to build up operating reserves.

The ongoing litigation and actions of a few of our residents have delayed the acquisition of the club and imposed additional costs that are necessary to defend the District against the litigation. So, instead of implementing our plan to use club income to pay for District operations, the litigation expenses and actions of this small group may require the District to impose an operating assessment of between \$300 and \$500 on average, per home in University Park, particularly if the litigation continues for any additional period of time.

I also want to be very clear that the District, on behalf of this community, can and will succeed in acquiring the club facilities and land. To date, the District has a strong record of positive accomplishments setting the stage for the acquisition. Overwhelmingly, the community has taken actions on three separate occasions which support the efforts to acquire the club by the District. The District has underwriters who are ready, willing and able to purchase the District's bonds.

The District Board wanted to update you on the status of the purchase and impact of the ongoing litigation and certain efforts by a few individuals. The District is continuing its efforts to acquire the facilities in the most efficient and cost-effective manner. However, the ongoing litigation and the other efforts to interfere with the District efforts to secure funding increase the costs involved for all of the residents of University Park.

A handwritten signature in black ink that reads "Bob Wood". The signature is written in a cursive, flowing style.

Bob Wood, Chairman
University Park Recreation District