

**DOUBLE BRANCH
COMMUNITY DEVELOPMENT DISTRICT**

INTRODUCTION

On behalf of the Board of Supervisors of the Double Branch Community Development District ("District"), the following information is provided to give you a description of the District's services and the assessments that have been levied within the District to pay for certain community infrastructure, and the manner in which the District is operated. The District is a unit of special-purpose local government created pursuant to and existing under the provisions of Chapter 190, Florida Statutes. Unlike city and county governments, the District has only certain limited powers and responsibilities. These powers and responsibilities include, for example, certain water management and drainage control facilities, roadway improvements, utility facilities, recreation facilities and the provision of parks and landscaping improvements.

The District is here to serve the needs of the community and we encourage your participation in District activities.

Board of Supervisors¹

Double Branch Community Development District

Donald P. Hinson
Chairman

Gary R. Walters
Secretary

Pate Foshee
Vice Chairman

Patti Powers
Treasurer

James T. O'Riley
Assistant Secretary

Charles W. Arnold, III
Assistant Secretary

Donald E. Brown
Assistant Secretary

Severn Trent Environmental Services
District Manager
10300 Northwest 11th Manor
Coral Springs, Florida 33071
(954) 753-0380

District records are on file at 370 OakLeaf Village Parkway, Orange Park, Florida and 10300 Northwest 11th Manor, Coral Springs, Florida. District records are available for public inspection upon request during normal business hours.

¹ This list reflects the composition of the Board of Supervisors as of October 1, 2003. For a current list of Board members, please call the District Manager.

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DISCLOSURE OF PUBLIC FINANCING AND MAINTENANCE OF IMPROVEMENTS TO REAL PROPERTY UNDERTAKEN BY THE DOUBLE BRANCH COMMUNITY DEVELOPMENT DISTRICT

Under Florida law, community development districts are required to take affirmative steps to provide for the full disclosure of information relating to the public financing and maintenance of improvements to real property undertaken by such districts. The law specifically provides that this information shall be made available to all persons currently residing within the District and to all prospective District residents. The following information describing the Double Branch Community Development District and the assessments, fees and charges that have been levied within the District to pay for certain community infrastructure is provided to fulfill this statutory requirement.

What is the District and how is it governed?

The District is an independent special taxing district, created pursuant to and existing under the provisions of Chapter 190, Florida Statutes, and established by Rule 42FF-1, Florida Administrative Code, adopted by the Florida Land and Water Adjudicatory Commission and effective on July 3, 2002. The District currently encompasses approximately 1,203 acres of land located entirely within the boundaries of Clay County, Florida. As a local unit of special-purpose government, the District provides an alternative means for planning, financing, constructing, operating and maintaining various public improvements and community facilities within its jurisdiction.

The District is governed by a five-member Board of Supervisors, the members of which must be residents of the State and citizens of the United States. Within ninety (90) days of appointment of the initial board, members were elected on an at-large basis by the owners of property within the District, each landowner being entitled to one vote for each acre of land with fractions thereof rounded upward to the nearest whole number. Elections are held every two years in November. Commencing six years after the initial appointment of Supervisors and when the District attains a minimum of two hundred and fifty (250) qualified electors, Supervisors whose terms are expiring will begin to be elected by qualified electors of the District. A "qualified elector" in this instance is any person at least eighteen (18) years of age who is a citizen of the United States, a legal resident of Florida and of the District, and who is also registered with the Supervisor of Elections to vote in Clay County. Notwithstanding the foregoing, if at any time the Board proposes to exercise its ad valorem taxing power, it shall, prior to the exercise of such power, call an election at which all members of the Board shall be elected by qualified electors of the District.

Board meetings are noticed in the local newspaper and are conducted in a public forum in which public participation is permitted. Consistent with Florida's public records laws, the records of the District are available for public inspection during normal business hours. Elected members of the Board are similarly bound by the State's open meetings law and are subject to the same disclosure requirements as other elected officials under the State's ethics laws.

**What infrastructure improvements does the District provide
and how are the improvements paid for?**

The District is comprised of approximately 1,203 located within the Village of Argyle Forest Development of Region Impact in Northern Clay County, Florida. The public infrastructure necessary to support the Double Branch development program includes master infrastructure and neighborhood infrastructure improvements. The master infrastructure improvements include, but are not limited to, the following: water and sewer facilities, stormwater management facilities, entry features, landscaping, signage, transportation improvements and recreational improvements. The neighborhood infrastructure improvements include, but are not limited to the following: clearing and grubbing, earthwork, underground utility construction, paving, drainage, grassing and sodding. Each of these infrastructure improvements is more fully detailed below.

These public infrastructure improvements will be funded in part by the District's sale of bonds. On August 15, 2002, the Circuit Court of the Fourth Judicial Circuit of the State of Florida, in and for Clay County, Florida, entered a Final Judgment validating the District's ability to issue an aggregate principal amount not to exceed \$75,000,000 in Special Assessment Bonds for infrastructure needs of the District. Since its establishment, the District has undertaken three separate bond issuances.

On September 24, 2002, the District issued its first series of bonds for purposes of financing construction and acquisition costs of master and neighborhood infrastructure improvements. On that date, the District issued Double Branch Community Development District, Special Assessment Bonds, Series 2002A, in the amount of \$30,635,000 (the "Series 2002A Bonds") and Double Branch Community Development District, Special Assessment Bonds, Series 2002B in the amount of \$10,875,000 (the "Series 2002B Bonds"; the Series 2002A Bonds and the Series 2002B Bonds are collectively referred to as the "Series 2002 Bonds").

On May 8, 2003, the District issued Double Branch Community Development District, Special Assessment Bonds, Series 2003B, in the amount of \$6,190,000 (the "Series 2003B Bonds") for purposes of financing construction and acquisition costs of certain neighborhood infrastructure improvements.

On July 15, 2003, the District issued its Double Branch Community Development District, Special Assessment Bonds, Series 2003C, in the amount of \$6,700,000 (the "Series 2003C Bonds") for purposes of financing construction and acquisition costs of certain neighborhood infrastructure improvements.

Proceeds of the Series 2002, Series 2003B and Series 2003C Bonds have been, and will continue to be, used to finance a portion of the cost of the acquisition, construction, installation and equipping of the infrastructure and improvements.

To plan the infrastructure improvements necessary for the District, the District adopted an Improvement Plan dated July 5, 2002, (the "Improvement Plan"), which details all of the improvements contemplated for the completion of the infrastructure of the District. Additionally, Supplemental Engineer's Reports for the Series 2002, Series 2003B and Series 2003C Capital Improvements were created by the District Engineer and adopted by the Board of Supervisors. These Engineer's Reports detail the precise improvements intended to be financed with the proceeds of the Series 2002, Series 2003B and Series 2003C Bonds. Copies of the Improvement Plan and the Engineer's Reports are available for review in the District's public records.

Water and Sewer Facilities

The District is planning and constructing the potable water distribution system that will allow the distribution of potable water to all property located within the boundaries of the District. The ownership, operation and maintenance of the system will be the responsibility of the Jacksonville Electric Association (JEA) and Clay County Utility Authority (CCUA), depending upon where the improvements are located.

In addition, the District is installing and constructing the sanitary sewer collection, transmission, and distribution systems, including lift stations and force mains, that will be dedicated to JEA and CCUA, for purposes of ownership, operation and maintenance, depending upon the location of the improvement.

Stormwater Management and Related Facilities

The District is providing for the design and construction of District-wide stormwater management facilities necessary to support the development of the District's public infrastructure improvements. The master stormwater management system provides stormwater treatment and flood control measures for all property located within the boundaries of the District. The stormwater management facilities consist of treatment ponds, control structures and wetland mitigation required to serve the lands within the boundaries of the District as required by the stormwater management permits issued by the St. Johns River Water Management District. Ownership and maintenance of the stormwater management facilities will be the responsibility of the District.

Transportation Improvements

The District is providing for the design and construction of a series of transportation improvements within and adjacent to the boundaries of the District. The four primary roadway systems constructed or acquired by the District with use of the Series 2002 Bonds proceeds include Oakleaf Village Parkway, Plantation Oaks Boulevard, the project Loop Road, and the Parcel 25A Entrance Road. All four of the primary roadway systems financed by through use of the Series 2002 Bond proceeds will eventually be owned and maintained by Clay County. Finally, the District may undertake other roadway improvements as approved by the Board of Supervisors.

Entrance Features and Landscape Improvements

The District is planning, constructing, and installing entrance features, signage and landscape improvements at the entrances to the District as well as the entrances to each of the individual subdivisions within the District. The District is also providing landscape improvements for all of the common areas within the District.

Recreational Improvements

The District is designing and constructing two types of recreation improvements within the boundaries of the District. The first type of recreational improvement to be constructed or acquired by the District includes a series of neighborhood parks, scattered throughout the District. Each neighborhood park is anticipated to have ~~at least barbecue grills,~~ picnic tables, playground equipment, and a pavilion.

The second recreational improvement constructed by the District is the Amenity Center. The Amenity Center is a multi-use recreation facility located near the intersection of Oakleaf Village Parkway and Plantation Oaks Boulevard. The basic components of the facility include the following: clubhouse, basketball courts, tennis courts, fitness equipment, snack bar, bathrooms, locker area, family pool, water park, junior olympic pool, playground equipment, ~~barbecue grills,~~ picnic tables, parking facilities, landscaping and lighting, athletic fields, and jogging trails.

Neighborhood Improvements

The District issued its Series 2002B Bonds for purposes of financing public infrastructure improvements within certain subdivisions located within the District including Worthington Oaks, Hearthstone, Highland Mill, Timberfield, Litchfield, Waverly, Stonebrier, and Piedmont.

The District issued its Series 2003B Bonds for purposes of financing public infrastructure improvements within certain subdivisions located within the District including Cannons Point and the Oaks - Phase I.

The District issued its Series 2003C Bonds for purposes of financing public infrastructure improvements within certain subdivisions located within the District including Nature's Hammock, The Oaks - Phase II, and Fall Creek.

The neighborhood improvements to be constructed or acquired with the proceeds of the Series 2002B, 2003B and 2003C Bonds include clearing and grubbing, earthwork, underground utility construction, paving and drainage, grassing, and sodding.

Further information regarding any of the planned improvements can be obtained from the Series 2002, Series 2003B and Series 2003C Engineer's Reports on file in the District's public records.

Assessments, Fees, and Charges

The costs of a portion of these infrastructure improvements have been financed by the District through the sale of its Special Assessment Bonds, Series 2002A (\$30,685,000), Series 2002B (\$10,875,000), Series 2003B (\$6,190,000), and Series 2003C (\$6,700,000). Proceeds of these bonds have been, and will continue to be, used to finance the acquisition and construction of proposed infrastructure improvements to serve the lands within the District. The amortization schedules for the Series 2002, Series 2003B and Series 2003C Bonds are attached hereto as composite Exhibit "A." A schedule of the annual debt service obligations of the District which must be defrayed by your annual assessment will depend upon the type of property purchased. A copy of the District's assessment methodology is available for review in the District's public records.

The Series 2002, Series 2003B and Series 2003C Bonds and the interest due thereon, are payable solely from and secured by the levy of non ad valorem or special assessments against lands within the District which benefit from the construction, acquisition, establishment, and operation of the District's improvements. The assessments on lots are billed in the same manner as are county ad valorem taxes.

The District may undertake the construction, acquisition, or installation of other future improvements and facilities, which may be financed by bonds, notes, or other methods authorized by Chapter 190, Florida Statutes. More information can be obtained from the Engineer's Reports on file with the District.

The amounts described above exclude any operations and maintenance assessments which may be determined and calculated annually by the District's Board of Supervisors against all benefitted lands in the District. These assessments on lots will also be collected in the same manner as county ad valorem taxes.

A detailed description of all costs and allocations which result in the formulation of assessments, fees and charges are available for public inspection upon request.

Method of Collection

The District's benefit and maintenance assessments may appear on that portion of the annual real estate tax bill entitled "non-ad valorem assessments," and will be collected by the county tax collector in the same manner as county ad valorem taxes. Each property owner must pay both ad valorem and non-ad valorem assessments at the same time. Property owners will, however, be entitled to the same discounts as provided for ad valorem taxes. As with any tax bill, if all taxes and assessments due are not paid within the prescribed time limit, the tax collector is required to sell tax certificates which, if not timely redeemed, may result in the loss of title to the property. The District may also elect to collect the assessment directly.

This description of the Double Branch Community Development District's operation, services and financing structure is intended to provide assistance to landowners and purchasers concerning the important role that the District plays in providing infrastructure improvements essential to the development of new communities. If you have questions or would simply like additional information about the District, please write to: District Manager, Double Branch Community Development District, 10300 Northwest 11th Manor, Coral Springs, Florida 33071, or call (954) 753-0380.

DEBT SERVICE REQUIREMENTS

The following table sets forth the scheduled debt service on the 2002A Bonds.

Year Ending November 1	Amortization Installment	Interest*	Total Debt Service
2003		\$2,394.635	\$2,394.635
2004		2,052.545	2,052.545
2005	\$330.000	2,041.490	2,371.490
2006	350.000	2,018.710	2,368.710
2007	375.000	1,994.422	2,369.422
2008	400.000	1,968.460	2,368.460
2009	430.000	1,940.655	2,370.655
2010	460.000	1,910.840	2,370.840
2011	490.000	1,879.015	2,369.015
2012	525.000	1,845.012	2,370.012
2013	560.000	1,808.665	2,368.665
2014	600.000	1,769.805	2,369.805
2015	640.000	1,728.265	2,368.265
2016	685.000	1,683.877	2,368.877
2017	735.000	1,636.307	2,371.307
2018	785.000	1,585.387	2,370.387
2019	840.000	1,530.950	2,370.950
2020	895.000	1,472.827	2,367.827
2021	960.000	1,410.685	2,370.685
2022	1,025.000	1,344.187	2,369.187
2023	1,095.000	1,273.167	2,368.167
2024	1,175.000	1,197.122	2,372.122
2025	1,255.000	1,115.717	2,370.717
2026	1,340.000	1,028.785	2,368.785
2027	1,435.000	935.822	2,370.822
2028	1,535.000	836.327	2,371.327
2029	1,640.000	729.965	2,369.965
2030	1,755.000	616.232	2,371.232
2031	1,875.000	494.627	2,369.627
2032	2,005.000	364.647	2,369.647
2033	2,145.000	225.622	2,370.622
**2034	<u>\$2,295.000</u>	<u>\$76.882</u>	<u>\$2,371.882</u>
Total	<u>\$30,635.00</u>	<u>\$44,911.663</u>	<u>\$75,546.663</u>

Includes interest accrued and capitalized from Bond proceeds and earnings thereon. Interest on 2002A Bonds is capitalized through November 1, 2004.
Final maturity is May 1, 2034.

The following table sets forth the scheduled debt service on the 2002B Bonds.

<u>Year Ending November 1</u>	<u>Principal</u>	<u>Interest **</u>	<u>Total Debt Service</u>
2003		\$710.500	\$710.500
2004		609.000	609.000
2005		609.000	609.000
2006		609.000	609.000
2007		304.500	304.500
Total	<u>10.875.000</u>	<u>304.500</u>	<u>11.179.500</u>
	<u>\$10.875.000</u>	<u>\$2.842.000</u>	<u>\$13.717.000</u>

*Matures May 1, 2007

**Includes interest accrued and capitalized from Bond proceeds and earnings thereon. Interest on 2002B Bonds is capitalized through May 1, 2003.

DEBT SERVICE REQUIREMENTS

The following table sets forth the scheduled debt service on the 2003B Bonds.

Year Ending November 1	Principal	Interest **	Total Debt Service
2003		\$181,143	\$181,143
2004		332,712	332,712
2005		332,712	332,712
2006		332,712	332,712
2007		332,712	332,712
2008*	\$6,190,000	\$166,356	\$6,356,356
Total	\$6,190,000	\$1,678,349.72	\$7,868,349

*Matures May 1, 2008

**Includes interest accrued and capitalized from 2003B Bond proceeds and earnings thereon. Interest on 2003B Bonds is capitalized through May 1, 2004.

Annual debt service payment due on Series 2003C Bonds

Year Ending November 1	<u>Principal</u>	<u>Interest **</u>	<u>Total Debt Service</u>
2003		\$129,719.44	\$129,719.44
2004		343,375.00	343,375.00
2005		343,375.00	343,375.00
2006		343,375.00	343,375.00
2007		343,375.00	343,375.00
2008*	<u>\$6,700,000</u>	<u>\$171,687.50</u>	<u>\$6,871,687.50</u>
Total	<u>\$6,700,000</u>	<u>\$1,674,906.94</u>	<u>\$8,374,906.94</u>

*Matures May 1, 2008

**Includes interest accrued and capitalized from 2003C Bond proceeds and earnings thereon. Interest on 2003C Bonds is capitalized through May 1, 2004.