

Presented By: MBS Capital Markets



**MBS CAPITAL MARKETS, LLC**

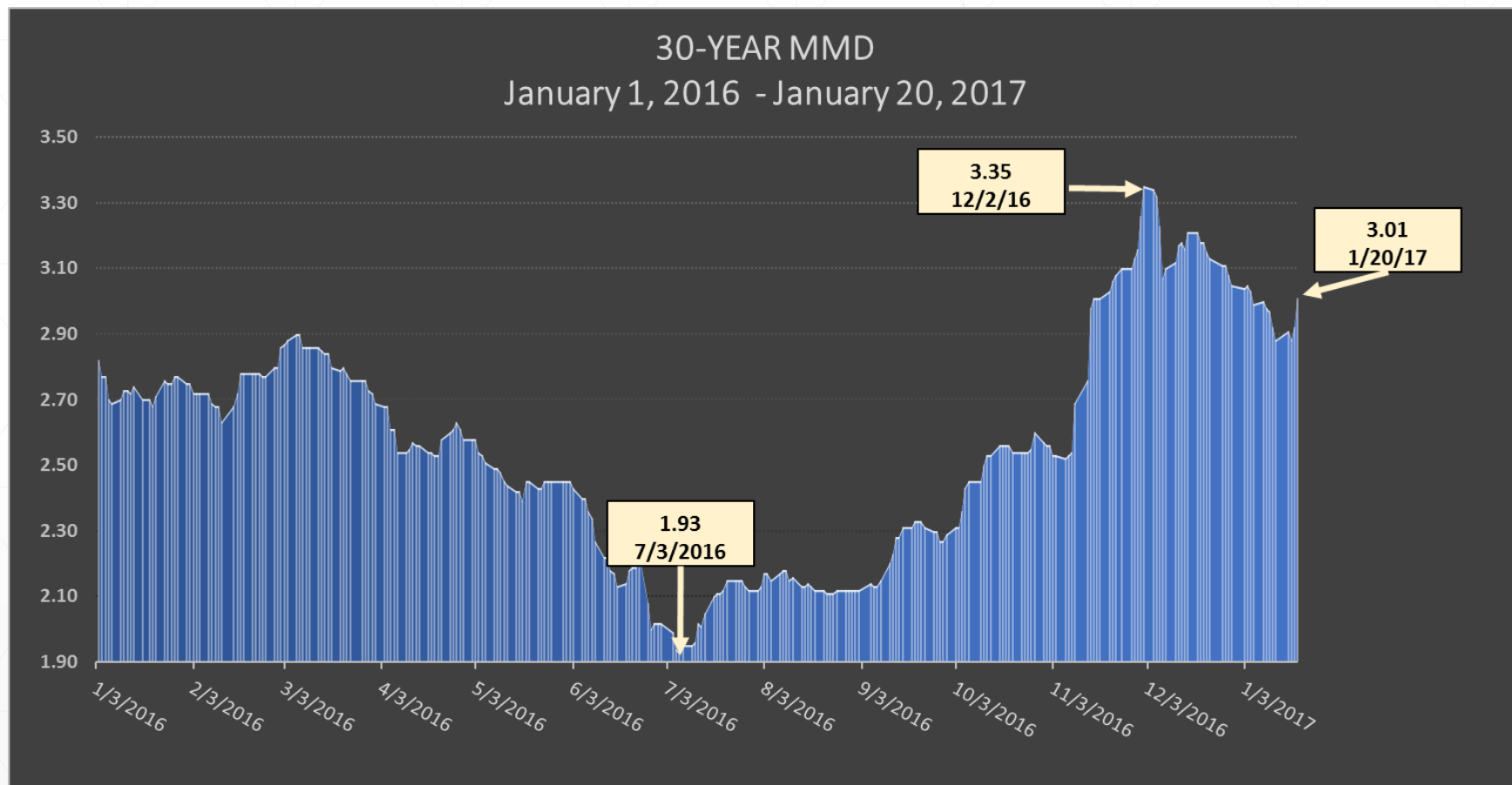
# **Heron Isles CDD**

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*February 2, 2017*



## 30 Year MMD: January 2016 - YTD





## Annual Debt Service Savings – 4% Threshold

Product-Type	# Units	Current Gross Annual Assessment Per Unit**	Series 2017 Gross Annual Assessment Per Unit**	Projected Annual Savings	Series 2017 Refunding Savings Per Unit
<b>On-Roll</b>					
Single-Family	478	\$505	\$484	\$21	4.14%
<b>Direct-Bill</b>					
Single-Family	92	505	484	21	4.14%
<b>Total</b>	<b>570</b>			<b>\$8,890</b>	<b>4.14%</b>

\*\*The projected gross annual assessments per unit includes the gross-up to provide for the 4% discount for early payment and the 3% collection fees charged by the County Tax Collector and Appraiser.



## Annual Debt Service Savings – 6% Threshold

Product-Type	# Units	Current Gross Annual Assessment Per Unit**	Series 2017 Gross Annual Assessment Per Unit**	Projected Annual Savings	Series 2017 Refunding Savings Per Unit
<b>On-Roll</b>					
Single-Family	478	\$505	\$474	\$31	6.13%
<b>Direct-Bill</b>					
Single-Family	92	505	474	31	6.13%
<b>Total</b>	<b>570</b>			<b>\$14,638</b>	<b>6.13%</b>

\*\*The projected gross annual assessments per unit includes the gross-up to provide for the 4% discount for early payment and the 3% collection fees charged by the County Tax Collector and Appraiser.



## Annual Debt Service Savings – 8% Threshold

Product-Type	# Units	Current Gross Annual Assessment Per Unit**	Series 2017 Gross Annual Assessment Per Unit**	Projected Annual Savings	Series 2017 Refunding Savings Per Unit
<b>On-Roll</b>					
Single-Family	478	\$505	\$464	\$41	8.09%
<b>Direct-Bill</b>					
Single-Family	92	505	464	41	8.09%
<b>Total</b>	<b>570</b>			<b>\$20,281</b>	<b>8.09%</b>

\*\*The projected gross annual assessments per unit includes the gross-up to provide for the 4% discount for early payment and the 3% collection fees charged by the County Tax Collector and Appraiser.



## **Disclosures Regarding Underwriter's Role – MSRB Rule G-17**

### **Disclosures Concerning the Underwriter's Role**

- i. Municipal Securities Rulemaking Board Rule G-17 requires an underwriter to deal fairly at all times with both municipal issuers and investors;
- ii. The Underwriter's primary role is to purchase securities with a view to distribution in an arm's-length commercial transaction with the District and it has financial and other interests that differ from those of the District;
- iii. Unlike a municipal advisor, the Underwriter does not have a fiduciary duty to the District under the federal securities laws and is, therefore, not required by federal law to act in the best interests of the District without regard to its own financial or other interests;
- iv. The Underwriter has a duty to purchase securities from the District at a fair and reasonable price, but must balance that duty with its duty to sell municipal securities to investors at prices that are fair and reasonable; and
- v. The Underwriter will review the official statement for the District's securities in accordance with, and as part of, its responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of the transaction.

### **Disclosure Concerning the Underwriter's Compensation**

Underwriter's compensation that is contingent on the closing of a transaction or the size of a transaction presents a conflict of interest, because it may cause the Underwriter to recommend a transaction that it is unnecessary or to recommend that the size of the transaction be larger than is necessary.



## **Disclosures Regarding Underwriter's Role – MSRB Rule G-17**

**Payments to or from Third Parties.** There are no undisclosed payments, values, or credits to be received by the Underwriter in connection with its underwriting of this new issue from parties other than the District, and there are no undisclosed payments to be made by the Underwriter in connection with this new issue to parties other than the District (in either case including payments, values, or credits that relate directly or indirectly to collateral transactions integrally related to the issue being underwritten). In addition, there are no third-party arrangements for the marketing of the District's securities.

**Profit-Sharing with Investors.** There are no arrangements between the Underwriter and an investor purchasing new issue securities from the Underwriter (including purchases that are contingent upon the delivery by the District to the Underwriter of the securities) according to which profits realized from the resale by such investor of the securities are directly or indirectly split or otherwise shared with the Underwriter.

**Credit Default Swaps.** There will be no issuance or purchase by the Underwriter of credit default swaps for which the reference is the District for which the Underwriter is serving as underwriter, or an obligation of that District.

**Retail Order Periods.** For new issues in which there is a retail order period, the Underwriter will honor such agreement to provide the retail order period. No allocation of securities in a manner that is inconsistent with an District's requirements will be made without the District's consent. In addition, when the Underwriter has agreed to underwrite a transaction with a retail order period, it will take reasonable measures to ensure that retail clients are bona fide.

**Dealer Payments to District Personnel.** Reimbursements, if any, made to personnel of the District will be made in compliance with MSRB Rule G-20, on gifts, gratuities, and non-cash compensation, and Rule G-17, in connection with certain payments made to, and expenses reimbursed for, District personnel during the municipal bond issuance process.