



Global Corporate Trust Services
1021 East Cary Street, 18th Floor
Richmond, Virginia 23219

NOTICE TO HOLDERS OF EVENT OF DEFAULT

To the Holders of:

\$77,820,000 Florida Development Finance Corporation Student Housing Revenue Bonds (Midtown Campus Properties, LLC Student Housing Project, Series 2019 (Taxable))
CUSIP Nos.: 34062AAA9 and 34062AAB7¹

Please forward this report to beneficial owners of the above-referenced Bonds.

U.S. Bank National Association serves as trustee (the "Trustee") under the Trust Indenture (the "Indenture") dated as of January 1, 2019 between the Florida Development Finance Corporation, as Issuer (the "Issuer") and the Trustee, pursuant to which the above-referenced Bonds were issued for the purpose of financing construction of a student housing project in Gainesville, Florida (the "Project"). Capitalized terms used and not defined herein shall have the meanings given such terms in the Indenture. A Loan Agreement was entered into between the Issuer and Midtown Campus Properties, LLC, (the "Borrower") dated as of January 1, 2019 (the "Loan Agreement") pursuant to which the proceeds of the Bonds were made available to Borrower for construction of the Project. Payments to be made by Borrower are the principal source for repayment of the Bonds.

Notice of Event of Default.

The purpose of this Notice is to notify you of the occurrence of an Event of Default under the Indenture caused by the filing by Borrower of petition for relief under the U.S. Bankruptcy Code. Specifically, on May 8, 2020, the Borrower filed a voluntary petition under Chapter 11 of the U.S. Bankruptcy Code in the United States Bankruptcy Court for the Southern District of Florida (Case No. 20-15173-RAM) (the "Bankruptcy Court"). The filing of the Chapter 11 petition constitutes an Event of Default under Section 7.1(g) of the Loan Agreement, which in turn constitutes an Event of Default under Section 8.01(d) of the Indenture. In accordance with Section 8.02 of the Indenture, the filing also results in the Bonds immediately becoming due and payable without any further request, notice or declaration. This notice is being given to the Holders in accordance with Section 8.02 of the Indenture.

Bankruptcy Proceedings.

Copies of the bankruptcy petition and other pleadings are available on the Bankruptcy Court's public access system, www.pacer.gov, or by contacting the Trustee as detailed below. As a result of this filing, under Section 362 of the Bankruptcy Code creditors of the Borrower, including the Trustee, are stayed from commencing collection or other remedial actions against the Borrower outside the jurisdiction of the Bankruptcy Court. The Trustee currently intends to file a proof of

¹ Trustee is not responsible for the selection or use of CUSIP. It is included solely for convenience of reference.
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claim in the Borrower's bankruptcy proceedings prior to the deadline ultimately set by the Bankruptcy Court on behalf of itself and the holders of the Bonds for all outstanding principal and interest on the Bonds and all amounts due and owing under the Indenture. Holders who may have other claims against the Borrower must file their own proof of claim prior to the deadline set by the Bankruptcy Court.

June 1st Debt Service

In accordance with the terms of the Indenture, at the time of closing the sum of \$6,849,827.10, was deposited into the Capitalized Interest Account. These funds, and future earnings thereon, were intended for the purpose of meeting interest payment obligations on the Bonds through June 1, 2020. No principal payments are due until 2022. Because of lower than projected earnings on the fund balances, Capitalized Interest will not be sufficient to pay the June 1 interest payment in full, and approximately \$115,000 will be needed from the Debt Service Reserve Fund. The Debt Service Reserve Fund established pursuant to the Indenture currently contains \$6,861,045.96. Section 7.1 of the Loan Agreement provides that to the extent that funds are available in the Debt Service Reserve Fund and other funds to make any required Basic Loan Payment, failure of Borrower to pay the same does not constitute an Event of Default. At the current time, there is no payment default with respect to principal or interest on the Bonds and funds on hand are sufficient to make the June 1, 2020 interest payment.

Direction of Proceedings.

The occurrence of a default or Event of Default creates certain remedial rights and remedies in favor of the Trustee. Under Sections 8.05 of the Indenture, the Holders of a majority in aggregate principal amount of the then Outstanding Bonds, subject to the obligation to provide satisfactory security or indemnity to the Trustee, have the right to direct the time, method and place of conducting all remedial proceedings available to the Trustee under the Indenture or the exercise of any trust or power conferred on the Trustee by the Indenture. The Trustee will facilitate communications among the Holders for the purpose of permitting the exercise of this right and otherwise for the purpose of permitting the Holders to discuss this matter. Because these bonds are registered in the name of Depository Trust Company, it will be important for owners of beneficial interests in the Bonds to identify themselves to the Trustee for that purpose.

Additional Information

Prior to any distribution to holders, money and property held or received by the Trustee under the Indenture are to be used first for payment of the fees and costs incurred or to be incurred by the Trustee in performing its duties, as well as for any indemnities owing or to become owing to the Trustee. This includes, but is not limited to, compensation for Trustee time spent, and the fees and costs of counsel and other agents they employ, to pursue remedies or other actions to protect the interests of holders.

The Trustee may invest funds held under the Indenture for which investment or advisory services are provided by it and/or an affiliate. As such, the Trustee and its affiliates receive compensation for the investment advisory, custodial, distribution and other services provided. A schedule that explains the services and costs, including the rate, formula and method of calculating such compensation, is available by contacting U.S. Bank.

The Trustee will continue to inform Holders as material developments occur. However, the Trustee cannot advise owners as to the prospects of the Borrower or like matters pertaining to the Bonds. Holders should contact their financial advisors on such questions. The Trustee may conclude that a specific response to particular inquiries from individual Holders is not consistent with equal and full dissemination of information to all Holders. Holders should not rely on the Trustee as their sole source of information. The Trustee makes no recommendations and gives no tax or investment advice. Each Holder should seek tax advice based on the Holder's particular circumstances from an independent tax advisor.

If you are receiving this report as a beneficial owner of the Bonds, we encourage you to furnish your name, address and amount of holdings to the undersigned so that reports may be forwarded directly to you rather than through your nominee. This report and future reports will also be disbursed through the Municipal Securities Rulemaking Board (s) website ("EMMA"), which can be accessed at <http://emma.msrb.org/>.

Questions regarding this notice may be directed to Mr. Christopher H. Gehman, Vice President, U.S. Bank National Association, as Trustee, 2021 East Cary Street, 18th Floor, Richmond, Virginia 23219 or via email at christopher.gehman@usbank.com. Holders of the Bonds with other questions may contact U.S. Bank at (800) 934-6802, option #4 or at www.usbank.com/corp_trust/bondholder_contact.html.

U.S. Bank National Association, as Trustee

May 11, 2020