

**REVIEW OF
PROPOSED GROUND
LEASE AGREEMENT
BETWEEN
THE MEADOWS
COMMUNITY ASSN &
BENDERSON REALTY
DEVELOPMENT, INC.**

VER 8.4

REVIEWED BY:

SUSAN SCHOETTLE

SUSAN SCHOETTLE-GUMM, PLLC

PRESENTATION TO THE
MEADOWS COMMUNITY

GRACELIFE CHURCH

FEBRUARY 9, 2026

CREDENTIALS:

- Susan Schoettle
 - Land Use and Local Government Attorney
 - Over 35 years legal experience
 - 10 years as an Assistant County Attorney in Sarasota County Attorney's Office
 - Over 20 years solo practice – Susan Schoettle-Gumm, PLLC
 - Reviewed multiple versions of proposed Ground Lease and watched portions of videos of the MCA Special Board Meeting on Jan. 16, 2026 and the MCA Townhall Meeting with Todd Mathes (Benderson) on Jan. 28, 2026
 - Comments in this presentation refer to ver 8-4 of proposed Ground Lease

OVERALL ASSESSMENT OF PROPOSED LEASE:

- Lease involves four major issues – all important to The Meadows community:
 - Immediate operation & maintenance of golf courses
 - Redevelopment plan for golf courses and investment in improvements
 - Refinancing of existing outstanding debt of the MCA
 - BRD's option to use conservation easements on existing open space and golf course lands to support development of Wetland Mitigation Credits
- Major concerns with proposed lease:
 - Loss of control of major portion of MCA owned lands
 - Lack of enforceable performance standards in the contract – particularly for golf
 - Decisions on use of land for golf by the entity that wants same land for wetland credits
 - Whether sufficient and professional financial analysis has been performed

LAND SUBJECT TO THE LEASE:

- Ground Lease between Benderson Realty Development, Inc. (BRD) and The Meadows Community Association (MCA) includes and defines the **Demised Premises** and the **Initial Conservation Area**
- **Demised Premises** (see Exh. B) **Golf Properties** (See Exh. B) common areas in three golf courses and related golf facilities, excluding community properties west of Longmeadow, generally the subject of para. I through 40 in the Lease, and
- **Initial Conservation Area** also referred to as the 9 Parcels (see Exh. E) that includes the **Golf Properties and 8 Open Space Parcels** subject to the Conservation Option and Wetland Mitigation Credits in para. 41 and 42 in the Lease. Total of approx. 500 acres (310.26 acres Golf Prop. & 190.73 ac Open Space). No exclusion of community properties west of Longmeadow.

OVERALL LEASE STRUCTURE:

- **Initial Term** of 36 months (3 years) – During the Initial Term:
 - BRD to decide whether or not to reopen The Highlands Course by Sept. 30, 2026 but required to maintain to allow future recovery as playable course “subject to governmental or other requirements related to open space” (Lease para 4.A.)
 - BRD has the right, but not an obligation, to exercise Conservation Option within the first 9 months following Commencement of the Lease (not clear what happens if option not exercised in first 9 months)
 - BRD operates 36 holes and ancillary support facilities using existing courses
 - BRD creates plan to redevelop golf courses and present the Redevelopment Plan and written notice of intent to exercise first Renewal Term to MCA
 - BRD pays rent of \$50,000/year (annual CPI increases after first year, max inc. of 3%)

OVERALL LEASE STRUCTURE:

▪ Lease Renewal Options

- If not in default, BRD has option to renew Lease for up to 4 additional terms of 10 years each, plus one add'l term to end on March 19, 2075 (see para 40)
- BRD to send written notice to MCA at least 180 days prior to end of current term
- No approval by MCA required, and no right by MCA to refuse renewal by BRD
- Note that Para 41.B., Conservation Easement Option, allows BRD to submit early, irrevocable notice of intent to exercise First Renewal Term prior to end of Initial Term (presumably this would be during the first 9 months of Initial Term)
- Total Lease Term if signed on or before March 19, 2026 estimated to be approx. 49 years
- Conservation Easement/Wetland Mitigation Credit could create perpetual obligations and burdens

OVERALL LEASE STRUCTURE:

- **Conservation Easement Option** (para 41)
 - BRD has the right, but not obligation, to record open space/conservation easements to encumber all or a portion of the 9 Parcels set forth on Exh. E (Initial Conservation Area includes all Golf Properties and 8 specific open space parcels. Approx. 500 acres total)
 - Option may be exercised by BRD “at any time within 9 months of Commencement Date” of lease (para 41.A.)
 - BRD may name its “designee” as the Grantee in the Conservation Easement (para 41.C.)
 - MCA has no right to object to terms, land included or designee and must cooperate in processing, recording and administering the Conservation Easement
 - MCA approval required only for recording of Open Space/Conservation Easement on other portions of Demised Premises or other land of MCA (unclear if any exists)
 - Loan adjustment automatic upon exercise of Conservation Option (\$3M reduction in principal, fixed interest rate 3% per annum)

OVERALL LEASE STRUCTURE:

- **Wetland Mitigation Credits (para 42)**
 - BRD (or affiliates, subsidiaries, or parent) has the right to use all or a portion of the 9 Parcels set forth on Exh. E (also called Initial Conservation Area, includes all Golf Properties and 8 specific open space parcels) to obtain Wetland Mitigation Credits
 - MCA has no right to object to affiliates, etc., what land is used or what changes will be needed to enhance or create wetlands or suitable habitat for credits
 - MCA approval is required only for use of other portions of Demised Premises or other land of MCA (not clear if any such land exists as 9 Parcels includes +500 acres of golf course and open space lands)
 - No timeframe for use of land for WMC – but BRD right of access ends with expiration or termination of Lease

CONSERVATION EASEMENTS:

- Conservation Easements (“CE”), as provided in Florida Statutes §704.06, are a less-than-fee-simple interest in real property with a purpose of preserving land or water areas in natural, scenic, open, agricultural or wooded condition
- Place restrictions on land (remove development rights, limit uses such as grazing or public access, allow specific uses, require preservation/maintenance of environmental qualities) through a covenant, easement, restriction or condition in a deed, etc. executed by the fee-simple owner and recorded in the public records
- Government entities (i.e., Special Districts, Water Management Districts, County) and not-for-profit land trusts (i.e., Big Waters Land Trust) may acquire and hold CEs in Florida. BRD cannot hold the CE under FS §704.06(3) so must designate a holder – could be Sarasota County, SWFWMD, Big Waters, or the proposed new UTC Special District.
- CEs are intended to be perpetual and binding on successors in interest (buyers of the fee-simple property interest); however, the CE may be released by the holder of the easement to the holder of the fee. If land used for Mitigation Credit, other restrictions would require continued protection.

WETLAND MITIGATION CREDITS:

- Wetland Mitigation Credits (WMC) are intended to offset negative impacts on wetlands and associated uplands habitats (“wetlands”) from land altering activities such as development and infrastructure construction
- If proposed development is unable to avoid impacts to on-site wetlands or to offset those impacts on the same property, the use of off-site mitigation banks where wetlands and habitat are restored or created within a defined area to provide “credits” that can be purchased to offset impacts and losses caused by development located elsewhere.
- Purchase of credits is typically a one-time, upfront cost that transfers all risks, responsibility for construction, and long-term maintenance to the mitigation banker. The purchase price covers the restoration, creation, enhancement, or preservation of the wetland or habitat in perpetuity.
- A 2025 amendment to FS §373.4136 expanded use to allow mitigation credits purchased in an adjacent watershed if certain conditions exist regarding credit availability

PROPOSED UNIVERSITY TOWN CENTER INDEPENDENT SPECIAL DISTRICT:

- Although not directly related to the proposed Lease, the recent proposal for the Florida Legislature to create an independent special district (UTC Special District) has raised some questions as the district will be adjacent to portions of The Meadows
- Proposed district will, if approved, have very wide powers and authority, including all powers of a water management district under FS Chap. 298 (inc. some operations and exercise of eminent domain outside the district boundaries), and broad powers related to roads, sport and entertainment facilities, parks, water and wastewater systems, reuse water, facilities for conservation/mitigation areas, and other powers.
- This District could be BRD's designee to hold conservation easement rights on lands in The Meadows under the proposed Lease, could hold wetland mitigation credits, and could potentially create a wetland mitigation bank (but this requires a lot of agency review and approvals).
- Todd Mathes, with Benderson, has stated in public that the District is interested in constructing valves on Benderson Lake to allow drawdown of the Lake prior to heavy rain events.

CONCERNS ABOUT CONSERVATION EASEMENT AND WETLAND MITIGATION CREDIT PROVISIONS:

- Once the Lease is in effect and the CE Option exercised by written notice from BRD to MCA, MCA has no control or consent over the terms of the CE (which will control how the land may be used for conservation, passive recreation and restoration/creation of wetlands and habitat
- Conservation Option will be exercised, or not, within the first 9 months of the Initial Lease – well before any golf course redevelopment plan has been developed or reviewed. So the Redevelopment Plan will bend to the desires of BRD to create Mitigation Credits rather than the golf course design needs defining the plan.
- Conservation Option exists and can be exercised independently of any renewal or extension option in the Lease. Does this mean they keep this option even if they walk after 9 months or 3 years or 10 years?
- BRD is the entity making the decisions on what land stays as golf course and what land is deleted from golf course and then converts to open space and potentially CE and Mitigation Credits for use by BRD. No meaningful control of this by MCA.

ADDITIONAL CONCERNS:

- No commitment by BRD to make any capital investments during Initial Term or any Renewal Term – at least pro forma budgets should be provided and analyzed
- False sense of MCA and Community control. Provisions for input or consent by MCA are meaningless – particularly when there are no specific performance standards to measure BRD's decisions against
- Lack of specific performance standards for operation of existing courses and no identification of any capital investment required for acceptable operation during the Initial Term.
- Lack of specific performance standards for redevelopment of golf courses. BRD only has to listen and consider input – not address meaningfully address it.

ADDITIONAL CONCERNS:

- Almost all identified “consent” or “approval” points are misleading and meaningless
 - No MCA input into decision of Highlands remaining a golf course or becomes Open Space and subject to potential use for Wetland Mitigation Credits
 - Committee on redevelopment plan can attend meetings and provide comments – no requirement that comments be incorporated into Plan. Engineering review of changes to water features to identify any detrimental impact on Property and MCA – detrimental impact not defined. Omits detrimental impact to homeowners adjacent to or near water features and potential loss of property value for those residents.
 - Only 30 days for MCA to review and comment on Redevelopment Plan (whether Plan as a whole complies with Lease, will have a detrimental impact on land or MCA, and represents a “high quality golf course” competitive with other similar scale, location and warm-weather tourist-economy courses”). Doesn’t consider detrimental impact to home values near water features. Insufficient time to have any review by MCA hired stormwater engineers of changes to water features/stormwater or by golf course experts.
 - BRD to modify Redevelopment Plan only as reasonably necessary to eliminate “adverse or detrimental impacts on the Property”, achieve high quality golf facility and comply with the Lease. Detrimental impacts not defined. Property not defined. High Quality Golf Facility not defined.
 - BRD has the right to modify the configuration and number of holes after the Initial Term – no MCA input or control. At its sole cost; however, may be expensed against golf income and if related to restoration or development of wetland mitigation credits will be offset against payment to MCA for credit.

ADDITIONAL CONCERNS:

- Useful prior consent provisions
 - Landlord prior consent and MCA Board approval for assignment or transfer of the Lease or any portion – except for any corporate parent, affiliate or subsidiary and many other exclusions related to the Benderson company
 - BRD remains primarily liable for performance under the Lease
 - MCA right of approval of subtenants – But conflicts in part with BRD shall not sublet golf course operations or facilities but shall use service agreements.
 - No building demolition or material alteration of existing buildings are permitted without MCA's prior written consent (such building are owned by MCA – this provision does not apply to any future buildings constructed by BRD)

ADDITIONAL CONCERNS:

- No benefit to MCA from acknowledgment or acceptance of a canal with water flowing from Nathan Benderson Park and Meadows or from stating that MCA “does not object to the canal and the backflow associated with it as it exists now. This canal is irrelevant to this Lease and there is no reason for MCA to agree to these terms.
- Lack of specific performance standards for operation of existing courses and no identification of any capital investment required for acceptable operation during the Initial Term.
- Lack of specific performance standards for redevelopment of golf courses. BRD only has to review and consider input in good faith – not meaningfully address it.
- Inadequate financial review and inadequate identification of transactions and decisions that will have financial/taxable impact on MCA
 - Pro forma budgets and projected expenditures should be provided and analyzed in advance
 - Will sale of Wetland Mitigation Credits be a taxable event for MCA as the fee-simple holder of the land
 - Much more detail needed on calculation of Net Golf Income and deductible items/expenses/capital investment

CONCLUSIONS:

- Ground Lease as exists in Ver 8-4 has internal conflicts and lacks necessary specificity on many terms and issues. Contracts are viewed by courts by the written terms – verbal promises, prior written materials, and representations by either party are not part of the Lease.
- MCA and The Meadows give up substantial control to BRD – and BRD will likely not be the entity performing under the Lease – even though under the Lease it remains principally responsible for performance.
- BRD will be MCA's banker, tenant, golf course operator, planner for golf course redevelopment, and likely holder of easements controlling the use of 500 acres of MCA golf course lands and open space.