
JPWard and Associates LLC

TOTAL Commitment to Excellence

Flow Way

Community Development District

Board of Supervisor's Meeting

May 12, 2015



*JPWard and Associates LLC
2041 Northeast 6th Terrace
Wilton Manors, Florida 33305
E-MAIL: WARD9490@COMCAST.NET
PHONE: (954) 658-4900*

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

May 5, 2015

Board of Supervisors
Flow Way Community Development District

Dear Board Members:

The Regular Meeting of the Board of Supervisors of the Flow Way Community Development District will be held on **Tuesday, May 12, 2015 at 3:00 P.M.** at the **offices of Coleman, Yovanovich & Koester, P.A., 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103.**

1. **CALL TO ORDER & ROLL CALL.**
2. **CONSIDERATION OF MINUTES:**
 - a) **February 10, 2015**
 - b) **February 17, 2015**
3. **CONSIDERATION OF THE ACCEPTANCE OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2014.**
4. **CONSIDERATION OF RESOLUTION 2015-9 OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT ACCEPTING THE CERTIFICATION OF THE DISTRICT ENGINEER THAT THE SERIES 2013 PROJECT IS COMPLETE; DECLARING THE SERIES 2013 PROJECT COMPLETE; FINALIZING THE SPECIAL ASSESSMENTS SECURING THE DISTRICT'S SERIES 2013 SPECIAL ASSESSMENT BONDS; PROVIDING FOR A SUPPLEMENT TO THE IMPROVEMENT LIEN BOOK; DECLARING THAT CERTAIN TRUE-UP OBLIGATIONS REMAIN THE SAME; PROVIDING FOR SEVERABILITY, CONFLICTS AND AN EFFECTIVE DATE.**
5. **CONSIDERATION OF RESOLUTION 2015-10 OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT SUPPLEMENTING AND AMENDING RESOLUTION 2015-8 WHICH RESOLUTION PREVIOUSLY EQUALIZED, APPROVED, CONFIRMED, IMPOSED AND LEVIED SPECIAL ASSESSMENTS ON AND PECULIAR TO PROPERTY SPECIALLY BENEFITED (APPORTIONED FAIRLY AND REASONABLY) BY THE DISTRICT'S PROJECTS; APPROVING AND ADOPTING THE SPECIAL ASSESSMENT METHODOLOGY FOR FLOW WAY COMMUNITY DEVELOPMENT DISTRICT PREPARED BY JPWARD & ASSOCIATES, LLC AND DATED APRIL 9, 2015 FOR PHASE 3, WHICH SETS FORTH THE SPECIFIC TERMS OF THE FLOW WAY COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT BONDS, SERIES 2015; PROVIDING FOR THE SUPPLEMENTATION OF THE**



James P. Ward
District Manager

2041 NORTHEAST 6TH TERRACE
WILTON MANORS, FL. 33305
PHONE (954) 658-4900
E-MAIL ward9490@comcast.net

SPECIAL ASSESSMENTS AS SET FORTH IN THE IMPROVEMENT LIEN BOOK; AMENDING SECTION 7(a) of RESOLUTION 2015-8 TO CORRECT A SCRIVENER'S ERROR; AND PROVIDING FOR SEVERABILITY, CONFLICTS, AND AN EFFECTIVE DATE.

6. CONSIDERATION OF RESOLUTION 2015-11 OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2016 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICT AND PROVIDING FOR AN EFFECTIVE DATE.

7. STAFF REPORTS.

- a) DISTRICT ATTORNEY
- b) DISTRICT ENGINEER
- c) DISTRICT MANAGER

- I. REPORT ON NUMBER OF REGISTERED VOTERS IN THE DISTRICT.
- II. FINANCIAL STATEMENTS FOR THE PERIOD ENDING MARCH 31, 2015

8. SUPERVISOR'S REQUESTS.

9. ADJOURNMENT

The second order of business is consideration of the minutes of the minutes of the February 10th and 17th, 2015 meetings, which are enclosed in the Agenda.

The third order of business is acceptance of the Audited Financial Statements for the year ended September 30, 2014. A representative of the firm McDirmit Davis and Associates, will be attending by phone to present the audit to the Board and answer any questions that may arise.

The fourth order of business is consideration of Resolution 2015-9 which certifies as complete the Series 2013 project as more fully identified in the Engineer's report, and, finalizes the assessments on the assessed properties encumbered by the Series 2013 Bonds.

The fifth order of business is consideration of Resolution 2015-10 which adopts the final assessment allocation report for the Series 2015 Bonds.



James P. Ward
District Manager

2041 NORTHEAST 6TH TERRACE
WILTON MANORS, FL. 33305
PHONE (954) 658-4900
E-MAIL ward9490@comcast.net

The sixth order of business is consideration of Resolution 2015-11 which approves the proposed budget for Fiscal Year 2016 and sets the public hearing date, time and location. The adoption of a budget is mandated by law, and funding for the budget is anticipated to come from the developer, Taylor Morrison pursuant to an agreement to fund the operations of the District.

The District's enabling legislation requires the District Manager to submit a Proposed Budget to the Board by June 15th of each year for your review and approval. The approval of the Budget is only intended to permit the District to move through the process towards adopting the Budget at the Public Hearing scheduled for the September 8, 2014 meeting of the Board of Supervisor's.

The approval of the Budget does not bind the Board to any of the costs contained in the Budget, any of the programs contained in the Budget.

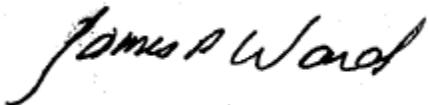
The public hearing is set for Tuesday, September 8, 2014 at 3:00 P.M. at the offices of Coleman, Yovanovich & Koester, 4001 Tamiami Trail East, Suite 300, Naples, Florida 34103.

Under my report is the statutory requirement that the District determine as of April 15th of each year the number of registered voter's residing with the District. The Statute provides that the Supervisor of Elections in the County where the District is located (Collier County) provides that information from the voter rolls of the County. The significance of the report is based on the transition date and number of qualified electors residing in the District which are enumerated in the Statute for the District to begin the transition from a landowner's election to a qualified elector based election.

The two thresholds are six years from the date of establishment which for the District is March 4, 2002, and accordingly the District has met this first threshold, and the second is at least 250 qualified electors. There is no required action of the Board for this item, it is provided as a matter of law and placed into the District's records.

The balance of the Agenda is standard in nature and I look forward to seeing you at the meeting, and if you have any questions and/or comments, please do not hesitate to contact me directly at (954) 658-4900.

Flow Way Community Development District



James P. Ward
District Manager
Enclosures



James P. Ward
District Manager

2041 NORTHEAST 6TH TERRACE
WILTON MANORS, FL. 33305
PHONE (954) 658-4900
E-MAIL ward9490@comcast.net

**MINUTES OF MEETING
FLOW WAY COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Flow Way Community Development District's Board of Supervisors was held on Tuesday, February 10, 2015, at 3:00 p.m., at the Offices of Coleman, Yovanovich & Koester, 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103.

Present and constituting a quorum were:

John Asher	Chairman
Keith Berg	Assistant Secretary
Anthony Burdett	Assistant Secretary
Stephen Reiter	Assistant Secretary
Sal Simonetti	Assistant Secretary (Arrived 3:37 p.m.)

Also present were:

James P. Ward	District Manager
Greg Urbancic	District Counsel
George Smith	BMO - Bond Counsel (Telephonic)
Jeremy Arnold	District Engineer

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Ward called the meeting to order at 3:35 p.m. The record will reflect that all supervisors are present at roll call with the exception of Supervisor Simonetti.

SECOND ORDER OF BUSINESS

Consideration of Minutes

a) January 13, 2015 – Regular Meeting

Mr. Ward stated you've been previously distributed a copy. If there are any additions, corrections or deletions, it would be appropriate at this time to so indicate. Otherwise, a motion for their approval would be in order.

On MOTION made by Mr. Asher and seconded by Mr. Berg, with all in favor, the January 13, 2015, Regular Meeting minutes was approved.

THIRD ORDER OF BUSINESS

Consideration of Resolution 2015-5 of the Board of Supervisors of Flow Way Community Development District approving the removal of Wells Fargo Bank, National Association as trustee, registrar and paying agent for Flow Way Community Development District; approving U.S. Bank National Association as successor trustee and successor registrar and paying agent; authorizing the District Manager to provide such notices as are required to effectuate the foregoing removal of Wells Fargo Bank, National Association as trustee, registrar, and paying agent and the appointment of U.S. Bank National Association as the successor trustee and successor registrar and paying agent; providing for conflicts; providing for severability; and providing an effective date.

Mr. Ward stated Resolution 2015-5 removes Wells Fargo Bank as your trustee for the Series 2013 Bonds and replaces them with U.S. Bank as trustee. The primary purpose of the change is related to the fact that Wells Fargo has moved their trust department out of Florida. They're now based in Pennsylvania and, to be quite frank, they're difficult to work with. As such, the resolution simply replaces the trustee with U.S. Bank, and they are also going to be the trustee on the Series 2015 Bonds, which is a part of the resolution that's next on your agenda.

The fee structure that U.S. Bank has provided to you is consistent with what we have normally paid; I don't recall if it's slightly over or under the Wells Fargo number, but it's consistent with what I'm used to seeing from U.S. Bank. If you have any questions on the resolution, I'd be glad to answer them for you. Otherwise, it is in order and recommended for your consideration.

The record will reflect that Supervisor Simonetti has joined us.

On MOTION made by Mr. Asher and seconded by Mr. Simonetti, with all in favor, Resolution 2015-5 was approved.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2015-6 of the Board of Supervisor of Flow Way Community Development District authorizing the issuance of not to exceed \$7,000,000 aggregate principal amount of its Flow Way Community Development District Special Assessment Bonds, [in one or more series] (the “Series 2015 Bonds”); determining certain details of the Series 2015 Bonds; approving the form of and authorizing the execution and delivery of a second supplemental trust indenture; authorizing the negotiated sale of the Series 2015 Bonds; appointing the underwriter; approving the form of and authorizing the execution and delivery of a contract of bond purchase contract with respect to the Series 2015 Bonds and awarding the Series 2015 Bonds to the underwriter named therein pursuant to the parameters set forth in this resolution; approving the form of and authorizing the distribution of the preliminary limited offering memorandum and its use by the underwriter in connection with the offering for sale of the Series 2015 Bonds and approving the execution and delivery of a final limited offering memorandum; authorizing the execution and delivery of a continuing disclosure agreement and the appointment of a dissemination agent, a true up agreement, an acquisition agreement, an assignment agreement, and a completion agreement; providing for the application of Series 2015 Bond proceedings; authorizing the proper officials to do all things deemed necessary in connection with the issuance, sale and delivery of the Series 2015 Bonds; making certain declarations; appointing a trustee; providing for the registration of the bonds pursuant to the DTC book-entry system; providing an effective date and for other purposes.

Mr. Ward stated the primary purpose of the meeting was the consideration of Resolution 2015-6, which was what we call a delegation bond award resolution. I know Mr. Smith is on the phone with us as your bond counsel, and I'll ask him to take some time and go through the pertinent business terms of the resolution with you. After questions from the Board, we'll ask for a motion to approve the resolution.

Mr. Smith stated this is George Smith with the Law Firm of Bryant Miller Olive; we are bond counsel to the District, and we appreciate the opportunity to represent you. The resolution you have before you is to authorize not to exceed \$7,000,000, an aggregate principal amount of your special assessment bond Series 2015. It approves certain matters in connection with those bonds, including a bond purchase agreement, as well as a second supplemental trust indenture, and a preliminary limit offering memorandum that will be used by the underwriter in connection with the offering of the bonds themselves.

It also approves various other documents that will be used to make sure that those bonds are secured and repaid in a timely fashion, and it includes a bond purchase contract with the underwriter, as long as certain parameters are met. It delegates the authority to the Chair to enter that purchase contract, and those parameters are included in section six of the resolution under II. and I'll just go through those with you for one moment. It allows that the Chair may enter into that contract as long as the principal amount of the bond does not exceed \$7,000,000, and as long as the interest rate is a rate not more than 300 basis points above the bond buyers 20 bond index, which was published in the month prior to the sale of the bonds. It requires that the price of the bonds be at not less than 98 percent, and the final maturity of those bonds be no later than November 1, 2048.

I'd be happy to go through any portion of the resolution if there's any questions, but that's the main purpose of the resolution is authorizing entering the bond contract with the underwriter and allowing those bonds to be issued to finance the 2015 project. With that, I'll be happy to take any questions.

Mr. Ward asked any questions from the Board? Hearing none, a motion to approve the resolution is in order.

On MOTION made by Mr. Burdett and seconded by Mr. Simonetti, with all in favor, Resolution 2015-6 was approved.
--

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2015-7 of the Board of Supervisors of the Flow Way Community Development District adopting continuing disclosure policies & procedures; and providing for severability and an effective date.

Mr. Ward stated, as a way of some brief background, the continuing disclosure is a provision that we are required to enter into when we issue bonds. We did it for the 2013 bonds; we will do it again for the 2015 bonds. That provides that the District will report certain information on a continuing basis to the bondholders, and upload that to the national repositories. The form of the continuing disclosure that's attached to the resolution is consistent with what we've done for the 2013 bonds, and will be consistent for what we will do for the 2015 bonds. This is kind of like a belts and suspenders kind of resolution, since we also enter into an agreement as a part of the closing of those set of bonds related to the continuing disclosure.

It is becoming significantly more important on an ongoing basis each year as the District issues debt. The important part is that it really requires us to not only disclose the information contained in this exhibit to the resolution, but it requires us to report if we do not report this information, that we have to notify the repositories that we did not receive the information from the primary developer. That's what we call a listed event pursuant to this disclosure information. If you have any questions with respect to the resolution, I'd be glad to answer them. Otherwise, it is recommended for your consideration.

Mr. Asher asked what is the training requirement, the training of employees.

Mr. Ward stated that would be me, but since I already know how to do it.

Mr. Asher stated oh, it's for you.

Mr. Ward stated yes, apparently, I am the employee pursuant to that. All it's really doing is saying that we have to report this information and, in the event that we don't, that we need to notify the national repository that we are not providing the information. Most of the information, if you look at it, is really related to the developer providing us the information on a regular basis. The yearly information that we are required to report, I actually report that information on a quarterly basis, but at the moment, it's primarily related

to me, since I am your disclosure representative, pursuant to this continuing disclosure agreement.

Any further questions? Hearing none, a motion to adopt the resolution is in order.

On MOTION made by Mr. Asher and seconded by Mr. Berg, with all in favor, Resolution 2015-7 was approved.

SIXTH ORDER OF BUSINESS

Staff Reports

- a) **District Attorney**

No report

- b) **District Engineer**

No report

- c) **District Manager**

- I. **Financial Statements – Interim as of December 31, 2014**

Mr. Ward stated I have nothing for you. I've enclosed your December 31st, 2014, in your agenda package. If you have any questions with respect to them, I'd be glad to answer them. The District is kind of cruise control at this point, so there's really nothing that I need to bring to your attention.

SEVENTH ORDER OF BUSINESS

Supervisors Requests and Audience Comments

Mr. Ward asked anything from the Board? The record will reflect that there are no members of the audience present.

EIGHTH ORDER OF BUSINESS

Adjournment

Mr. Ward stated a motion to adjourn would be in order.

On MOTION made by Mr. Burdett and seconded by Mr. Asher, with all in favor, the meeting was adjourned at 3:45 p.m.

James P. Ward Secretary

John Asher, Chairman

**MINUTES OF MEETING
FLOW WAY COMMUNITY DEVELOPMENT DISTRICT**

The Regular Meeting of the Flow Way Community Development District's Board of Supervisors was held on Tuesday, February 17, 2015, at 3:00 p.m., at the Offices of Coleman, Yovanovich & Koester, 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103.

Present and constituting a quorum were:

John Asher	Chairman
Keith Berg	Assistant Secretary
Anthony Burdett	Assistant Secretary
Stephen Reiter	Assistant Secretary

Also present were:

James P. Ward	District Manager
Greg Urbancic	District Counsel
David Wilems	District Engineer
Brian Fender	(Telephonic)

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Ward called the meeting to order at 3:00 p.m. The record will reflect that all supervisors are present at roll call with the exception of Supervisor Simonetti.

SECOND ORDER OF BUSINESS

Public Hearing

a) Capital Improvement Program – Phase 3 - Series 2015 Bonds

I. Public Comment and Testimony

Mr. Ward stated both your engineer and I made a presentation to you all at your last meeting with respect to both the construction program related to the infrastructure project for Phase 3, and I made a presentation to you with respect to your methodology, which we will not go through that again at this juncture, unless you want us to do that. This is a public hearing, so, Mr. Chairman, I would ask that you, by motion, open it up to any public comment or testimony.

On MOTION made by Mr. Asher and seconded by Mr. Burdett, with all in favor, the opening of the public hearing to public comment and testimony was approved.

Mr. Ward stated that the record will reflect that there are no members of the public present in person, nor have I received any written communications from any property owners with respect to your hearing today.

On MOTION made by Mr. Asher and seconded by Mr. Berg, with all in favor, the closing of the public hearing to public comment and testimony was approved.

II. Board of Supervisors' Comments

Mr. Ward asked any Board members' questions or comments with respect to either the Engineer's report or the methodology, or would you like us to go through both of those with you today? It's your call.

Mr. Asher asked there's been no changes since the last report?

Mr. Ward stated no changes.

Mr. Asher stated then I don't see any reason to go through them again then.

Mr. Ward stated both David and I appreciate that.

III. Consideration of Resolution 2015-8 of the Board of Supervisors of the Flow Way Community Development District authorizing District projects for construction and/or acquisition of infrastructure improvement; equalizing, approving, confirming, and levying special assessments on property specially benefitted by such projects to pay the cost thereof; providing for the payment and the collection of such special assessments by the methods provided for by Chapters 170, 190, and 197 Florida Statutes; confirming the District's intention to issue special assessment bonds; providing for true-up payments; making provisions relating to the transfer of real property to governmental bodies; providing for the recording of an assessment notice; providing for severability, conflicts and an effective date.

(Minute Note: Resolution number is changed to 2015-8 from 2015-7)

Mr. Ward stated this is Greg's resolution. I'll ask that you just take a few moments and go through that with the Board, I would appreciate it.

Mr. Urbancic stated this is very similar to what we did on the first round, for those of you that were here. You will recall that at a prior meeting in January, we adopted two resolutions. One was to initially adopt a project, which was David's report, and to also adopt a special assessment methodology, which was Jim's report, and this flows on the heels of this. What it's reflecting is memorializing the fact that we already expressed our intent to undertake the project for the next phase, Phase 3, and develop an assessment methodology again, which Jim had prepared for that phase.

We went through an extensive notice process, which we're required to by law, both advertising and also mailed notices, and it's a very extensive process, and one that it goes above and beyond, frankly. What this resolution does is it adopts a number of findings. It adopts the fact that we're adopting the report or formalizing the report. You are sitting as the equalization body here today in case we had any public that came and said, "Hey, this isn't fair because – ", and we didn't have that today. Now that we have the project, we're adopting a methodology that shows there's a special benefit, and how that benefit is going to be allocated, and it contains an assessment roll as to how the assessments will be allocated to the property.

You're finding that it's in the best interest of the District to undertake the project, and to levy the cost of that project against the specific properties, and not all the property in the District, as you know, is being levied for this assessment, it's just a portion. Otherwise, this provides the method by which we'll collect. We'll use the uniform method of collection, which is the property tax rolls, and also this will provide for true-up payments, so when we go to the bond closings, we'll have a true-up agreement with the developer, which keeps things intact, so our assessment levies don't get out of whack.

Those are the main points in this resolution. If anyone has any questions or comments, I'd be happy to address those.

Mr. Ward asked any questions from the Board?

Mr. Asher stated I have just a general question, not really relating to this, but I think Valerie in our office had received a question or a handful of questions from, I'm guessing, one of the prospective bond purchasers on whether certain things had been accounted for in our budgets, whether it's an offsite improvement or the timing of that. If any of those

questions were brought up and somewhat valid, does this need to be addressed anywhere in any of these documents, or is it just something that can be an ancillary response to them?

Mr. Urbancic asked it wasn't questions from somebody being assessed, it was somebody who might purchase bonds?

Mr. Asher stated right.

Mr. Urbancic stated I don't know that that's necessarily applicable to this resolution.

Mr. Asher stated right.

Mr. Urbancic asked was there a specific question?

Mr. Asher stated I caught her passing in the hall, and said we do have a trigger that, I think, at our 400th CO we have to build an offsite roadway, but that's all been accounted for, and we've got it budgeted in our overall land development budget, so it's covered. But how would we get that information? Does that information need to get out formerly?

Mr. Urbancic stated my guess is it maybe in the disclosure document, the offering memorandum, and maybe that's where the question came up, that they're reading the offering memorandum.

Mr. Ward stated generally speaking, to the extent that it's outside of the context of this infrastructure program, and your underwriter thinks it's important enough for disclosure purposes, he will put it in a limited offering memorandum.

Mr. Asher stated okay, so that's the place for those clarifications.

Mr. Ward stated right.

Mr. Asher stated and it could be edited up to the last minute before.

Mr. Ward stated it generally is.

Mr. Urbancic stated yes, the gentleman who's on the phone, Brian, he's the one that's primarily in charge of disclosure documents, so he's always looking at the land use stuff. So if before we go to print on the final offering memorandum, if we need to have a conversation about that, we would open up that dialog with Brian.

Mr. Asher stated and I'm guessing Valerie may have already reached out to you or will in the near future.

Mr. Urbancic stated yes, I haven't heard anything.

Mr. Asher stated she thought she had some of the questions already answered or had information on it, but, again, it was a quick what if and move on.

Mr. Urbancic asked any other questions?

Mr. Ward stated hearing none, a motion to adopt Resolution 2015-7 is in order.

On MOTION made by Mr. Asher and seconded by Mr. Burdett, with all in favor, Resolution 2015-8 was approved.

THIRD ORDER OF BUSINESS

Consideration of Agreement with FMSBonds and G-17 Disclosure related to the Series 2015 Bonds.

Mr. Ward stated all the agreement really does is identify the same terms and conditions that we operated under when we issued our 2013 Bonds and provides for certain disclosure pursuant to the Securities & Exchange Commission (SEC) rolls also, which was disclosed to you at the same time we did the 2013 Bonds. If you have any questions with respect to the agreement, I'll be glad to answer them for you. Otherwise, it is recommended.

Mr. Asher asked is this the agreement?

Mr. Ward stated yes, pretty short and sweet.

Mr. Urbancic stated section two is their payment terms. I think that is the same as what we had previously.

Mr. Ward stated and as I said, these are exactly the same as what we did for the 2013 Bonds.

On MOTION made by Mr. Asher and seconded by Mr. Reiter, with all in favor, the Agreement with FMSBonds and G-17 Disclosure related to the Series 2015 Bonds was approved.

FOURTH ORDER OF BUSINESS

Staff Reports

- a) **District Attorney**
No report
- b) **District Engineer**
No report
- c) **District Manager**
No report

FIFTH ORDER OF BUSINESS

**Supervisors Requests and
Audience Comments**

Mr. Ward asked anything from the Board? The record will reflect that there is no members of the public present.

SIXTH ORDER OF BUSINESS

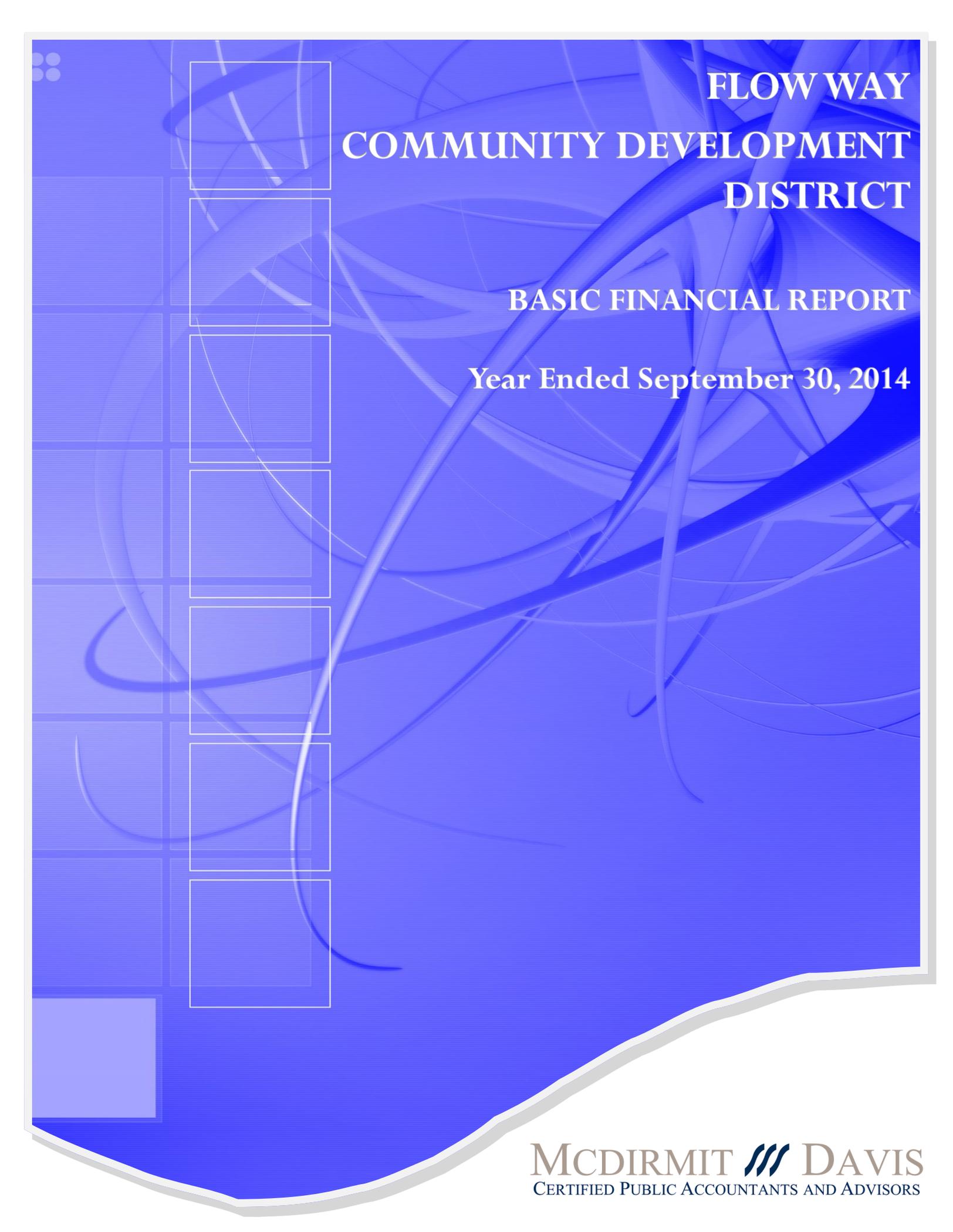
Adjournment

Mr. Ward stated a motion to adjourn would be in order.

**On MOTION made by Mr. Burdett and seconded by Mr. Asher,
with all in favor, the meeting was adjourned at 3:11 p.m.**

James P. Ward Secretary

John Asher, Chairman



**FLOW WAY
COMMUNITY DEVELOPMENT
DISTRICT**

BASIC FINANCIAL REPORT

Year Ended September 30, 2014

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

TABLE OF CONTENTS

Year Ended September 30, 2014

	<u>Page</u>
I. Financial Section:	
Independent Auditor's Report	1
Management's Discussion and Analysis	3
Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	7
Statement of Activities	8
Fund Financial Statements:	
Balance Sheet - Governmental Funds	9
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	10
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	11
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	12
Notes to Financial Statements	13
II. Compliance Section:	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	26
Management Comments	28
Independent Auditor's Report Compliance with the Requirements of Section 218.415, Florida Statutes	30

INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Flow Way Community Development District

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, and each major fund of the *Flow Way Community Development District* (the "District"), as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The District's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

MCDIRMIT DAVIS & COMPANY, LLC

934 NORTH MAGNOLIA AVENUE, SUITE 100 ORLANDO, FLORIDA 32803
TELEPHONE: 407-843-5406 FAX: 407-649-9339 EMAIL: INFO@MCDIRMITDAVIS.COM

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the District as of September 30, 2014, and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis starting on page 3, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated April 27, 2015 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

McDiarmid Davis & Company, LLC

Orlando, Florida
April 27, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the *Flow Way Community Development District's* (the "District") financial performance provides an overview of the District's financial activities for the fiscal years ended September 30, 2014 and 2013. Please read it in conjunction with the District's financial statements which immediately follow this discussion. This is the first year that the District has been audited. The prior year information presented is unaudited.

Financial Highlights

The following are the highlights of financial activity for the year ended September 30, 2014:

- The District's total liabilities exceeded its assets at September 30, 2014 by \$677,231, a decrease of \$677,231. This decrease is primarily attributable to the use of bond proceeds to fund interest and bond issuance costs.
- At September 30, 2014, the District's governmental funds reported a combined fund balance of \$839,682, an increase of \$839,682 in comparison with the prior year. This increase is primarily due to excess of bond proceeds over expenditures.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the District's assets, liabilities, and deferred inflows/outflows of resources, with the difference between the three reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found on pages 7 and 8 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District has one fund type: Governmental Funds.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the statement of revenues, expenditures and changes in fund balances provide reconciliations to facilitate this comparison between governmental funds and governmental activities.

The governmental fund financial statements can be found on pages 9 through 12 of this report.

Notes to Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 13 through 25 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of financial position. The following table reflects the condensed government-wide statements of net position as of September 30, 2014 and 2013:

Flow Way Community Development District		<u>Statement of Net Position</u>	
	September 30, 2014	Unaudited September 30, 2013	
Assets, excluding capital assets	\$ 849,644	\$ 17,512	
Capital assets not being depreciated	5,720,639	-	
Total assets	<u>6,570,283</u>	<u>17,512</u>	
Liabilities, excluding long-term liabilities	197,514	17,512	
Long-term liabilities	7,050,000	-	
Total liabilities	<u>7,247,514</u>	<u>17,512</u>	
Net Position			
Net investment in capital assets	(1,277,029)	-	
Restricted for debt service	576,572	-	
Unrestricted	23,226	-	
Total net position	<u>\$ (677,231)</u>	<u>\$ -</u>	

Governmental activities for the year ended September 30, 2014 decreased the District's net position by \$677,231, as reflected in the table below:

Changes in Net Position		<u>Year ended September 30,</u>	
	2014	Unaudited 2013	
Revenues:			
Program revenues	\$ 102,617	\$ 44,713	
Expenses:			
General government	418,498	44,713	
Interest on long-term debt	361,350	-	
Total expenses	<u>779,848</u>	<u>44,713</u>	
Change in net position	(677,231)	-	
Net position - beginning	-	-	
Net position - ending	<u>\$ (677,231)</u>	<u>\$ -</u>	

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a District's net resources available for spending at the end of the fiscal year. The General, Debt Service and Capital Projects Funds comprise the total governmental funds. The fund balance of the General Fund increased by \$23,226 in the current year because special assessments exceeded expenditures. The Debt Service Fund increased by \$764,124 in the current year because bond proceeds exceeded debt service payments. The fund balance of the Capital Projects Fund increased by \$52,332 because bond proceeds exceeded capital outlay expenditures.

Capital Asset and Debt Administration

The District's investment in capital assets for its governmental activities as of September 30, 2014, amounts to \$5,720,639 and consists of construction in progress.

At the end of the year, the District had total bonded debt outstanding of \$7,050,000 which was issued in the current year.

Additional information on the District's long-term debt can be found in Note 5 on pages 23 through 24 of this report.

General Fund Budgetary Highlights

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. There were no amendments to the general fund budget. The legal level of budgetary control is at the fund level.

Requests for Information

This financial report is designed to provide a general overview of *Flow Way Community Development District's* finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Flow Way Community Development District; JPWard & Associates, LLC, 2041 NE 6th Avenue, Wilton Manors, Florida 33305.

FINANCIAL STATEMENTS

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

STATEMENT OF NET POSITION

September 30, 2014

	Governmental Activities
Assets:	
Cash	\$ 33,188
Restricted assets:	
Temporarily restricted investments	816,456
Capital assets not being depreciated	<u>5,720,639</u>
Total assets	<u>6,570,283</u>
Liabilities:	
Accounts payable and accrued expenses	9,962
Accrued interest payable	187,552
Noncurrent liabilities:	
Due in more than one year	<u>7,050,000</u>
Total liabilities	<u>7,247,514</u>
Net Position:	
Net investment in capital assets	(1,277,029)
Restricted for debt service	576,572
Unrestricted	<u>23,226</u>
Total net position	<u><u>\$ (677,231)</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

STATEMENT OF ACTIVITIES

Year Ended September 30, 2014

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenue</u>		<u>Capital Grants and Contribution</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		
Governmental activities:					
General government	\$ 418,498	\$ 102,552	\$ -	\$ -	\$ (315,946)
Interest on long-term debt	361,350	-	61	4	(361,285)
Total governmental activities	<u>\$ 779,848</u>	<u>\$ 102,552</u>	<u>\$ 61</u>	<u>\$ 4</u>	<u>(677,231)</u>
Change in Net Position					(677,231)
Net Position - beginning					<u>-</u>
Net Position - ending					<u>\$ (677,231)</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

BALANCE SHEET
GOVERNMENTAL FUNDS

September 30, 2014

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
Assets:				
Cash	\$ 33,188	\$ -	\$ -	\$ 33,188
Investments	-	764,124	52,332	816,456
Total assets	<u>\$ 33,188</u>	<u>\$ 764,124</u>	<u>\$ 52,332</u>	<u>\$ 849,644</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable and accrued expenses	\$ 9,962	\$ -	\$ -	\$ 9,962
Fund Balances:				
Restricted for debt service	-	764,124	-	764,124
Restricted for capital projects	-	-	52,332	52,332
Unassigned	<u>23,226</u>	<u>-</u>	<u>-</u>	<u>23,226</u>
Total fund balances	<u>23,226</u>	<u>764,124</u>	<u>52,332</u>	<u>839,682</u>
Total liabilities and fund balances	<u>\$ 33,188</u>	<u>\$ 764,124</u>	<u>\$ 52,332</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 5,720,639

Liabilities not due and payable from current available resources are not reported in governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide statements.

	Accrued interest payable	(187,552)	
	Bonds payable	<u>(7,050,000)</u>	<u>(7,237,552)</u>
Net Position of Governmental Activities			<u>\$ (677,231)</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

Year Ended September 30, 2014

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
Revenues:				
Special assessments	\$ 102,552	\$ -	\$ -	\$ 102,552
Investment income	-	61	4	65
Total revenues	<u>102,552</u>	<u>61</u>	<u>4</u>	<u>102,617</u>
Expenditures:				
Current:				
General government	79,326	-	339,172	418,498
Debt service:				
Interest	-	173,798	-	173,798
Capital outlay	-	-	5,720,639	5,720,639
Total expenditures	<u>79,326</u>	<u>173,798</u>	<u>6,059,811</u>	<u>6,312,935</u>
Excess (Deficit) of Revenues Over Expenditures	23,226	(173,737)	(6,059,807)	(6,210,318)
Other Financing Sources (Uses):				
Bonds issued	-	937,861	6,112,139	7,050,000
Net change in fund balances	23,226	764,124	52,332	839,682
Fund Balances - beginning of year	-	-	-	-
Fund Balances - end of year	<u>\$ 23,226</u>	<u>\$ 764,124</u>	<u>\$ 52,332</u>	<u>\$ 839,682</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES**

Year Ended September 30, 2014

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Net change in fund balances - total governmental funds (page 10)	\$ 839,682
Expenditures on capital assets are reported as expenditures in the governmental fund statement, however, capital assets are capitalized in the statement of net position.	5,720,639
Repayments of long-term liabilities are reported as expenditures in governmental funds, while repayments reduce long-term liabilities in the statement of net position.	(7,050,000)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Change in accrued interest	<u>(187,552)</u>
Change in net position of governmental activities (page 8)	<u>\$ (677,231)</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND

Year Ended September 30, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
Revenues:				
Special Assessments	\$ 87,265	\$ 87,265	\$ 102,552	\$ 15,287
Expenditures:				
Current:				
General government	87,265	87,265	79,326	7,939
Net change in fund balance	-	-	23,226	23,226
Fund Balance - beginning	-	-	-	-
Fund Balance - ending	\$ -	\$ -	\$ 23,226	\$ 23,226

The accompanying Notes to Financial Statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2014

Note 1 - Organization and Operations

The Flow Way Community Development District (the "District") was established on March 4, 2002, pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190 of the Florida Statutes by Collier County Ordinance 02-09. The Act provides, among other things, the power to manage basic services for community development, the power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

The District was established for the purpose of planning, financing, constructing, operating and maintaining certain portions of community-wide infrastructure. The District consists of 830 acres of land and is located entirely within Collier County, Florida.

The District is governed by a Board of Supervisors (the "Board"), which is composed of five members. The Supervisors are elected on an at large basis by the owners of property within the District, and ownership of land within the District entitles the owner to one vote per acre. All of the Board members are affiliated with Taylor Morrison (the "Developer") at September 30, 2014. The District is economically dependent on the Developer. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes.

The Board has a final responsibility for:

- Assessing and levying special assessments
- Approving and adopting budgets
- Exercising control over facilities and property
- Controlling the use of funds generated by the District
- Hiring the District Manager, District Engineer and District Attorney
- Financing, operating and maintaining improvements.

Note 2 - Summary of Significant Accounting Policies:

The accounting policies of the District conform to Generally Accepted Accounting Principles (GAAP) as applicable to governments in accordance with those promulgated by the Governmental Accounting Standards Board (GASB). The District's more significant accounting policies are described below:

The Financial Reporting Entity

The criteria used for including component units consist of identification of legally separate organizations for which the Board of Supervisors of the District are financially accountable. This criteria also includes identification of organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting district's financial statements to be misleading or incomplete. Based upon this review, there were no potential component units of the District.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 2 - Summary of Significant Accounting Policies (Continued):

Basis of Presentation

Financial Statements - Government-Wide and Fund Financial Statements

The financial statements include both government-wide and fund financial statements.

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. All of the district's activities are classified as governmental activities.

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by assessments, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The business-type activities are reported separately in government-wide financial statements; however, at September 30, 2014, the District did not have any business-type activities and therefore, no business-type activities are reported. Assessments and other items not properly included as program revenues (i.e., charges to customers or applicants who purchase, use or directly benefit from goods or services) are reported as general revenues. In the government-wide statement of net position, the governmental activities column is presented on a consolidated basis, if applicable, and is reported on a full-accrual, economic resource basis, which recognizes all noncurrent assets and receivables as well as all noncurrent debt and obligations, when and if applicable.

The government-wide statement of activities reports both the gross and net cost of each of the District's functions. The net costs, by function, are also supported by general revenues. The statement of activities reduces gross expenses by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The government-wide focus is more on the ability to sustain the District as an entity and the change in the District's net position resulting from the current year's activities.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 2 - Summary of Significant Accounting Policies (Continued):

Basis of Presentation (continued)

Financial Statements - Fund Financial Statements

The accounts of the District are organized on the basis of funds. The operations of the funds are accounted for with separate self-balancing accounts that comprise their assets, liabilities, fund equity, revenues and expenditures.

The District reports the following governmental funds:

General Fund - This fund is used to account for all operating activities of the District. At this time, revenues are derived principally from non-ad valorem assessments and interest income.

Debt Service Fund - This fund is used to account for the accumulation of resources for and the payment of long-term debt principal, interest and other financing costs.

Capital Projects Fund - This fund accounts for the financial resources to be used for the acquisition or construction of major infrastructure within the District.

For the year ended September 30, 2014, the District does not report any proprietary funds.

Measurement Focus, Basis of Accounting and Presentation

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the basic financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied. Governmental funds use the current financial resources measurement focus and the government-wide statements use the economic resources measurement focus.

Governmental activity in the government-wide financial statements is presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

The governmental fund financial statements are presented on the modified accrual basis of accounting under which revenue is recognized in the accounting period in which it becomes susceptible to accrual (i.e., when it becomes both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within sixty days of the end of the current year.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 2 - Summary of Significant Accounting Policies (Continued):

Budget

A budget is adopted for the General Fund and Debt Service Fund on an annual basis. Appropriations lapse at fiscal year-end. Changes or amendments to the total budgeted expenditures of the District must be approved by the District Board of Supervisors.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b. A public hearing is conducted to obtain property owner's comments.
- c. Prior to October 1, the budget is legally adopted by the District Board.
- d. The budgets are adopted on a basis consistent with generally accepted accounting principles.

Cash, cash equivalents and investments

Cash and cash equivalents are defined as demand deposits, money market accounts, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments, if applicable, are stated at their fair value, which is based on quoted market prices. Unrealized gains and losses in fair value are recognized. Certain money market investments are stated at amortized cost if they have a remaining maturity of one year or less when purchased.

Capital assets

Capital assets, which include land and improvements, infrastructure and machinery and equipment, are reported in the governmental activities column in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 2 - Summary of Significant Accounting Policies (Continued):

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District does not have any item that qualifies for reporting in this category for the year ended September 30, 2014.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District does not have any item that qualifies for reporting in this category for the year ended September 30, 2014.

Special assessments

The District's Assessments are included on the property tax bill that all landowner's receive. The Florida Statutes provide that special assessments may be collected by using the Uniform Method. Under the Uniform Method, the District's Assessments will be collected together with County and other taxes. These Assessments will appear on a single tax bill issued to each landowner subject to such. The statutes relating to enforcement of County taxes provided that County taxes become due and payable on November 1 of the year when assessed or as soon thereafter as certified tax roll is received by the Tax Collector and constitute a lien upon the land from January 1 of such year until paid or barred by operation of law. Such taxes (together with any assessments, being collected by the Uniform Method) are to be billed, and landowners in the District are required to pay all such taxes and assessments, without preference in payment of any particular increment of the tax bill, such as the increment owing for the District's Assessments. Upon any receipt of moneys by the Tax Collector from the Assessments, such moneys will be delivered to the District.

All city, county, school and special district ad valorem taxes, non-ad valorem special assessments and voter-approved ad valorem taxes levied to pay principal and interest on bonds, including the District Assessments, that are collected by the Uniform Method are payable at one time. If a taxpayer does not make complete payment of the total amount, he or she cannot designate specific line items on his or her tax bill as deemed paid in full and such partial payment is not to be accepted and is to be returned to the taxpayer, provided, however that a taxpayer may contest a tax assessment pursuant to certain conditions in Florida Statutes and other applicable law.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 2 - Summary of Significant Accounting Policies (Continued):

Special assessments (continued)

Under the Uniform Method, if the Assessments are paid during November when due or at any time within thirty (30) days after mailing of the original tax notice or during the following three months, the taxpayer is granted a variable discount equal to 4% in November and decreasing one percentage point per month to 1% in February. March payments are without discount. Pursuant to Section 197.222, Florida Statutes, taxpayers may elect to pay estimated taxes, which may include non-ad valorem special assessments such as the District's Assessments in quarterly installments with a variable discount equal to 6% on June 30 decreasing to 3% on December 31, with no discount on March 31. All unpaid taxes and assessments become delinquent on April 1 of the year following assessment, and the Tax Collector is required to collect taxes prior to April 1 and after that date to institute statutory procedures upon delinquency to collect assessed taxes. Delay in the mailing of the notices to taxpayers may result in a delay throughout this process.

Certain taxpayers that are entitled to claim homestead tax exemption under Section 196.031(1), Florida Statutes may defer payment of a portion of the taxes and non-ad valorem assessments and interest accumulated on a tax certificate, which may include non-ad valorem special assessments. Deferred taxes and assessments bear interest at a variable rate not to exceed 7%. The amount that may be deferred varies based on whether the applicant is younger than 65 or is 65 years old or older; provided that applicants with a household income for the previous calendar year of less than \$10,000 or applicants with less than the designated amount for the additional homestead exemption under Section 196.075, Florida Statutes that are 65 year old or older may defer taxes and assessments in their entirety.

Collection of Delinquent Assessments under the Uniform Method is, in essence, based upon the sale by the Tax Collector of "tax certificates" and remittance of the proceeds of such sale to the District for payment of the Assessment due.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 2 - Summary of Significant Accounting Policies (Continued):

Equity Classifications

Government-wide statements:

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - consists of capital assets including restricted capital assets, net of accumulated depreciation, if applicable, and reduced by the outstanding balances of any bonds, or other borrowings that are attributable to the acquisition, construction or improvement of those assets
- b. Restricted net position - consist of net position with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - all other net position that does not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Statements:

The District presents fund balance in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement requires that governmental fund financial statements presents fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District has no Nonspendable fund balances as of September 30, 2014.

Restricted - This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Debt service resources are to be used for future servicing of the revenue note and are restricted through debt covenants.

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 2 - Summary of Significant Accounting Policies (Continued):

Fund Statements (continued):

Committed - This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District Board of Supervisors (the "Board"). These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The District did not have any committed fund balance as of September 30, 2014.

Assigned - This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board or through the Board delegating this responsibility to the District Manager through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. The District did not have any assigned fund balances as of September 30, 2014.

Unassigned - This classification includes the residual fund balance for the General Fund.

When the District has expenditures for which committed, assigned or unassigned fund balance is available, the District would consider committed funds to be spent first, then assigned funds and lastly unassigned funds.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Note 3 - Deposits and Investments:

Deposits

The District maintains deposits with "Qualified Public Depositories" as defined in Chapter 280, Florida Statutes. All Qualified Public Depositories must place with the Treasurer of the State of Florida securities equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. In the event of default by a Qualified Public Depository, the State Treasurer will pay public depositors all losses. Losses in excess of insurance and collateral will be paid through assessments between all Qualified Public Depositories.

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 3 - Deposits and Investments (Continued):

Deposits (continued)

Under this method, all the District's deposits are fully insured or collateralized at the highest level of security as defined by Governmental Accounting Standards Board, Statement Number 40, *Deposits and Investment Disclosures (an Amendment of Governmental Accounting Standards Board, Statement Number 3)*.

Investments

Investments of the General Fund are governed by Section 218.415, Florida Statutes. The authorized investments include, among others, negotiable direct or indirect obligations which are secured by the United States Government, the Local Government Surplus Funds Trust as created by Section 218.415, Florida Statutes; and interest-bearing time deposits or savings accounts in authorized financial institutions.

Investments of Debt Service and Capital Projects Fund are governed by the provisions of the Trust Indenture.

Investments of the Debt Service and Capital Projects Fund as of September 30, 2014 were \$816,456 and were in money market mutual funds.

Credit Risk

Florida Statutes require the money market mutual funds held by the District to have the highest credit quality rating from a nationally recognized rating agency. The money market mutual funds held by the District are rated AAAm by Standard and Poor's and AAA-mf by Moody's Investors Service.

Custodial Risk

For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The District has no formal policy for custodial risk. The money market mutual funds are not evidenced by securities that exist in physical or book entry form.

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 3 - Deposits and Investments (Continued):

Interest Rate Risk

Florida Statutes provide that the investment portfolio be structured in such manner as to provide sufficient liquidity to pay obligations as they come due. The money market mutual funds have a weighted average maturity of 47 days.

Concentration Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At September 30, 2014, the District's investments were not subject to custodial credit risk.

Note 4 - Capital Assets:

Capital asset activity for the year ended September 30, 2014 was as follows:

	Beginning Balance October 1, 2013	Additions	Disposals	Balance at September 30, 2014
Governmental Activities:				
Capital Assets not Being Depreciated:				
Construction in progress	\$ -	\$ 5,720,639	\$ -	\$ 5,720,639
Governmental activities capital assets, net	<u>\$ -</u>	<u>\$ 5,720,639</u>	<u>\$ -</u>	<u>\$ 5,720,639</u>

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 5 - Long-Term Debt:

Summary of Long-Term Debt of Governmental Activities

Long-term debt of the governmental activities at September 30, 2014 is comprised of the following:

\$7,050,000 Special Assessment Revenue Bonds, Series 2013; due in annual installments commencing 2015 through 2044; interest payable semi-annually at 6% and 6.5%. \$ 7,050,000

The following is a summary of changes in governmental activities long-term debt for the year ended September 30, 2014:

	<u>Balance October 1, 2013</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance September 30, 2014</u>	<u>Due Within One Year</u>
Special Assessment Revenue Bonds, Series 2013	\$ -	\$ 7,050,000	\$ -	\$ 7,050,000	\$ -

Summary of Significant Debt Terms of Governmental Activities

\$7,050,000 Special Assessment Revenue Bonds, Series 2013 - The District issued \$7,050,000 Series 2013 Bonds for the purpose of funding certain capital projects within the boundaries of the District. The bonds bear interest at 6% and 6.5% and mature in November 2044. Interest is payable semi-annually on the first day of each May and November. The bonds are secured by a pledge of revenues derived from the collection of non-ad valorem special assessments.

The District is required by the Bond Indenture to levy and collect special assessments pursuant to Florida Statutes, Section 190.022. The collection of these assessments is restricted and applied to the debt service requirements of the Bond issue. Further, the District covenants to levy special assessments in annual amounts adequate to provide for the payment of principal and interest on the Bonds as they become due.

The Bonds are subject to mandatory redemption at par on a schedule of annual redemptions starting November 1, 2015 through November 1, 2044, the maturity date. The District is required to redeem the Bonds at par prior to the schedule from the proceeds of any assessments prepaid in full, or moneys received as a result of condemnation or destruction of the project. The Bonds are subject to redemption at the option of the District anytime on or after November 1, 2024 as described in the bond indenture.

The Bond Indenture requires the District to fund a debt service reserve account, as described in the bond indenture. As of September 30, 2014, the reserve fund account balance was sufficient to satisfy this requirement.

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 5 - Long-Term Debt (Continued):

Summary of Significant Debt Terms of Governmental Activities (Continued)

Total principal and interest remaining the Bonds is \$16,320,572. For the current year ended September 30, 2014, total interest paid on the Bonds was \$173,798. There was no principal due and no special assessment revenue pledged.

The annual debt service requirements for the Series 2013 Special Assessment Revenue Bonds consist of:

Year Ending September 30,	Principal	Interest	Total
2015	\$ -	\$ 450,124	\$ 450,124
2016	85,000	447,574	532,574
2017	90,000	442,324	532,324
2018	95,000	436,774	531,774
2019	105,000	430,774	535,774
2020 - 2024	610,000	2,050,520	2,660,520
2025 - 2029	825,000	1,836,908	2,661,908
2030 - 2034	1,110,000	1,531,399	2,641,399
2035 - 2039	1,530,000	1,105,975	2,635,975
2040 - 2044	2,095,000	521,788	2,616,788
2045	505,000	16,412	521,412
	<u>\$ 7,050,000</u>	<u>\$ 9,270,572</u>	<u>\$ 16,320,572</u>

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

Year Ended September 30, 2014

Note 6 - Risk Management:

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. To mitigate this risk, the District purchases an insurance policy that provides coverage of up to a \$2,000,000 general liability for each occurrence and an annual aggregate coverage of approximately \$4,000,000 for the policy year ending September 30, 2014. Another insurance policy carried by the District during the year includes public official's liability. Deductible amounts ranged from \$0 to \$2,500. There have been no claims against the District during the last three fiscal years.

Note 7 - Concentration:

A significant portion of the District's activity is dependent upon the continued involvement of the Developer, Taylor Morrison, the loss of which could have a materially adverse effect on the District's ability to pay the principal and interest on the District Series 2013 Bonds, along with the operations of the District. For the period ending September 30, 2014, the Developer owned 100% of the assessable property. Certain property within the District that is not assessed is owned by others. For the same period, the Developer's share of total assessment revenue was 100%.

All of the members of the Board of Supervisors are affiliated with the Developer.

Note 9 - Subsequent Event:

In April 2015, the District issued \$3,950,000 of Special Assessment Revenue Bonds, Series 2015 to finance the construction of certain District Improvements.

COMPLIANCE SECTION

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Supervisors
Flow Way Community Development District

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, and each major fund of the *Flow Way Community Development District* (the "District") as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated April 27, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

MCDIRMIT DAVIS & COMPANY, LLC

934 NORTH MAGNOLIA AVENUE, SUITE 100 ORLANDO, FLORIDA 32803
TELEPHONE: 407-843-5406 FAX: 407-649-9339 EMAIL: INFO@MCDIRMITDAVIS.COM

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

McDiernit Davis & Company, LLC

Orlando, Florida
April 27, 2015

MANAGEMENT COMMENTS

Board of Supervisors
Flow Way Community Development District

Report on the Financial Statements

We have audited the financial statements of the *Flow Way Community Development District*, (the "District") as of and for the fiscal year ended September 30, 2014, and have issued our report thereon dated April 27, 2015.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Other Reports

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards, and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated April 27, 2015, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, require that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There was no audit in the previous year.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information has been disclosed in the noted to the financial statements.

MCDIRMIT DAVIS & COMPANY, LLC

934 NORTH MAGNOLIA AVENUE, SUITE 100 ORLANDO, FLORIDA 32803
TELEPHONE: 407-843-5406 FAX: 407-649-9339 EMAIL: INFO@MCDIRMITDAVIS.COM

Financial Condition

Section 10.554(1)(i)5.a., Rules of the Auditor General, requires that we report the results of our determination as to whether or not the *Flow Way Community Development District* has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the *Flow Way Community Development District* did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.c. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the *Flow Way Community Development District* financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Annual Financial Report

Section 10.554(1)(i)5.b., Rules of the Auditor General, requires that we report the results of our determination as to whether the annual financial report for the *Flow Way Community Development District* for the fiscal year ended September 30, 2014, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2014. In connection with our audit, we determined that these two reports were in agreement.

Other Matters

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

McDiernit Davis & Company, LLC

Orlando, Florida
April 27, 2015

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES**

Board of Supervisors
Flow Way Community Development District

We have examined Flow Way Community Development District's (the District) compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2014. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, Flow Way Community Development District complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2014.

MCDIRMIT DAVIS & COMPANY, LLC

Orlando, Florida
April 27, 2015

April 27, 2015

To the Board of Supervisors
Flow Way Community Development District

We have audited the financial statements of Flow Way Community Development District as of and for the year ended September 30, 2014, and have issued our report thereon dated April 27, 2015. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated December 15, 2014, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of Flow Way Community Development District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

MCDIRMIT DAVIS & COMPANY, LLC

934 NORTH MAGNOLIA AVENUE, SUITE 100 ORLANDO, FLORIDA 32803
TELEPHONE: 407-843-5406 FAX: 407-649-9339 EMAIL: INFO@MCDIRMITDAVIS.COM

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Flow Way Community Development District is included in the notes to the financial statements. There have been no initial selections of accounting policies and no changes in significant accounting policies or their application during the current year. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimate affecting the financial statements is:

Management's estimate of depreciation is based on the estimated useful lives of the capital assets. We evaluated the key factors and assumptions used to develop the depreciation estimate and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. There were no sensitive disclosures affecting the financial statements.

Identified or Suspected Fraud

We have neither identified nor have we obtained information that indicates that fraud may have occurred.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. We made one adjustment to increase legal costs and accounts payable by \$8,587.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to Flow Way Community Development District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated April 27, 2015.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with Flow Way Community Development District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Flow Way Community Development District's auditors.

This report is intended solely for the information and use of the Board of Supervisors and management of Flow Way Community Development District and is not intended to be and should not be used by anyone other than these specified parties.

McDiernit Davis & Company, LLC

Orlando, Florida
April 27, 2015

RESOLUTION NO. 2015-9

A RESOLUTION OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT ACCEPTING THE CERTIFICATION OF THE DISTRICT ENGINEER THAT THE SERIES 2013 PROJECT IS COMPLETE; DECLARING THE SERIES 2013 PROJECT COMPLETE; FINALIZING THE SPECIAL ASSESSMENTS SECURING THE DISTRICT'S SERIES 2013 SPECIAL ASSESSMENT BONDS; PROVIDING FOR A SUPPLEMENT TO THE IMPROVEMENT LIEN BOOK; DECLARING THAT CERTAIN TRUE-UP OBLIGATIONS REMAIN THE SAME; PROVIDING FOR SEVERABILITY, CONFLICTS AND AN EFFECTIVE DATE.

WHEREAS, Flow Way Community Development District (the "District") was established by Ordinance No. 02-09 of the Collier County Board of County Commissioners on February 26, 2002, for the purpose of providing infrastructure improvements, facilities and services to the lands within the District as provided in Chapter 190, Florida Statutes; and

WHEREAS, on June 11, 2013, the Board of Supervisors (the "Board") of the District adopted Resolution 2013-16 authorizing, among other things, the issuance of not to exceed \$45,000,000 aggregate principal amount of its special assessment bonds in order to finance the costs of the construction, installation, and acquisition of public infrastructure, improvements, and services benefiting lands within the District; and

WHEREAS, on October 14, 2013, in accordance with Chapters 170, 190 and 197, Florida Statutes, the Board adopted Resolution 2014-1 ("Resolution 2014-1") for purposes which included AUTHORIZING DISTRICT PROJECTS FOR CONSTRUCTION AND/OR ACQUISITION OF INFRASTRUCTURE IMPROVEMENTS; EQUALIZING, APPROVING, CONFIRMING, AND LEVYING SPECIAL ASSESSMENTS ON PROPERTY SPECIALLY BENEFITTED BY SUCH PROJECTS TO PAY THE COST THEREOF; PROVIDING FOR THE PAYMENT AND THE COLLECTION OF SUCH SPECIAL ASSESSMENTS BY THE METHODS PROVIDED FOR BY CHAPTERS 170, 190, AND 197 FLORIDA STATUTES; CONFIRMING THE DISTRICT'S INTENTION TO ISSUE SPECIAL ASSESSMENT BONDS; PROVIDING FOR TRUE-UP PAYMENTS; MAKING PROVISIONS RELATING TO THE TRANSFER OF REAL PROPERTY TO GOVERNMENTAL BODIES; PROVIDING FOR THE RECORDING OF AN ASSESSMENT NOTICE; PROVIDING FOR SEVERABILITY, CONFLICTS AND AN EFFECTIVE DATE; and

WHEREAS, pursuant to Resolution 2014-1, the District:

(1) Approved and adopted the Flow Way Community Development District Master Engineer's Report prepared by Waldrop Engineering, Inc. and dated August, 2013, as supplemented by that certain Flow Way Community Development District Phase 1 & Phase 2 Engineer's Report for the 2013 Project prepared by Waldrop Engineering, Inc. and dated August, 2013 (collectively, the "Engineer's Report"), which Engineer's Report describes the components of the District's capital improvement program for Phase 1 and 2 which comprises the "Series 2013 Project"; and

(2) Adopted a Special Assessment Methodology for Flow Way Community Development District prepared by JPWard & Associates, LLC and dated August 26, 2013 for Phase 1 and Phase 2, as has been updated and amended (the "Master Assessment Methodology Report"), which sets forth the method for allocating assessments for the costs of the Series 2013 Project as described in the Engineer's Report against the properties specially benefitted thereby; and

RESOLUTION NO. 2015-9

A RESOLUTION OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT ACCEPTING THE CERTIFICATION OF THE DISTRICT ENGINEER THAT THE SERIES 2013 PROJECT IS COMPLETE; DECLARING THE SERIES 2013 PROJECT COMPLETE; FINALIZING THE SPECIAL ASSESSMENTS SECURING THE DISTRICT'S SERIES 2013 SPECIAL ASSESSMENT BONDS; PROVIDING FOR A SUPPLEMENT TO THE IMPROVEMENT LIEN BOOK; DECLARING THAT CERTAIN TRUE-UP OBLIGATIONS REMAIN THE SAME; PROVIDING FOR SEVERABILITY, CONFLICTS AND AN EFFECTIVE DATE.

(3) Authorized the Series 2013 Project described in the Engineer's Report, equalized, approved, confirmed, and levied special assessments to defray the costs thereof, and provided that the levied special assessments shall be a lien on the property so assessed co-equal with the lien of all state, county, district, municipal or other governmental taxes, all in accordance with Section 170.08, Florida Statutes; and

WHEREAS, subsequently, the District duly authorized and issued its Flow Way Community Development District \$7,050,000.00 Special Assessment Bonds, Series 2013 (the "Series 2013 Bonds") under and pursuant to the Master Indenture dated as of December 1, 2013 between the District and Wells Fargo Bank National Association (now succeeded by U.S. Bank, National Association), as supplemented by the First Supplemental Trust Indenture dated as of December 1, 2013 (collectively the "Trust Indenture"), to pay a portion of the costs of the construction, installation, and acquisition of the Series 2013 Project; and

WHEREAS, a copy of the Engineer's Report is on file with the District Manager and was included in the Limited Offering Memorandum issued in connection with the Series 2013 Bonds; and

WHEREAS, the Engineer's Report estimated capital costs for the Series 2013 Project totaling \$10,190,769.95 including professional services and contingencies; and

WHEREAS, on December 10, 2013, the Board adopted Resolution 2014-4 ("Resolution 2014-4") which, in part, modified and supplemented Resolution 2014-1. (Resolution 2014-1 together with Resolution 2014-4 are sometimes collectively referred to herein as the "Assessment Resolution".) Resolution 2014-4 adopted that certain Special Assessment Methodology Final Report—Series 2013 Bonds for Flow Way Community Development District prepared by JPWard & Associates, LLC and dated November 22, 2013 ("2013 Supplemental Assessment Methodology"), which provided a means to allocate a portion of the costs of the Series 2013 Project pursuant to the actual terms of the District's Series 2013 Bonds against the properties specially benefited thereby in accordance with the adopted Master Assessment Methodology Report. (The Master Assessment Methodology Report together with the 2013 Supplemental Assessment Methodology, are sometimes collectively referred to herein as the "Assessment Methodology".) A copy of the Master Methodology Report and the 2013 Supplemental Assessment Methodology are on file with the District Manager and were included in the Limited Offering Memorandum issued in connection with the Series 2013 Bonds; and

WHEREAS, the 2013 Supplemental Assessment Methodology projected the estimated total costs of the portion of the Series 2013 Project to be funded by the sale of the Series 2013 Bonds and

RESOLUTION NO. 2015-9

A RESOLUTION OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT ACCEPTING THE CERTIFICATION OF THE DISTRICT ENGINEER THAT THE SERIES 2013 PROJECT IS COMPLETE; DECLARING THE SERIES 2013 PROJECT COMPLETE; FINALIZING THE SPECIAL ASSESSMENTS SECURING THE DISTRICT'S SERIES 2013 SPECIAL ASSESSMENT BONDS; PROVIDING FOR A SUPPLEMENT TO THE IMPROVEMENT LIEN BOOK; DECLARING THAT CERTAIN TRUE-UP OBLIGATIONS REMAIN THE SAME; PROVIDING FOR SEVERABILITY, CONFLICTS AND AN EFFECTIVE DATE.

secured by assessments as set forth in the Engineer's Report inclusive of such items as capital costs, financing costs, capitalized interest, reserve funds and underwriter's discount; and

WHEREAS, pursuant to Chapter 170, Florida Statutes, and the Trust Indenture, the District Engineer has executed and delivered a letter dated April 24, 2015 (the "Engineer's Certification"), attached hereto and made a part hereof as Exhibit A, wherein the District Engineer has confirmed and verified the Series 2013 Project is complete; and

WHEREAS, upon receipt of and in reliance upon the Engineer's Certification evidencing the completion date of the Series 2013 Project as described above, the District's Board of Supervisors desires to certify the Series 2013 Project complete in accordance with the Trust Indenture and Chapter 170, Florida Statutes; and

WHEREAS, the actual costs incurred by the District to complete the Series 2013 Project resulted in a zero balance in the Series 2013 Acquisition and Construction Account; and

WHEREAS, Chapter 170, Florida Statutes requires that upon completion of the Series 2013 Project, the District is to credit each of the assessments the difference, if any, between the amount assessed and the actual cost of the improvements.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT AS FOLLOWS:

SECTION 1. RECITALS. The foregoing recitals are true and correct and, by this reference, are incorporated into and form a material part of this Resolution.

SECTION 2. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of Florida law, including Chapters 170, 190 and 197, Florida Statutes, and in accordance with the provisions of the Assessment Resolution.

SECTION 3. ACCEPTANCE AND CERTIFICATION OF COMPLETION OF THE SERIES 2013 Project. The Board of Supervisors hereby accepts the Engineer's Certification, attached hereto as Exhibit A, certifying the Series 2013 Project complete and upon reliance thereon, certifies the Series 2013 Project complete in accordance with the Assessment Resolution, the Trust Indenture, and Chapter 170, Florida Statutes.

RESOLUTION NO. 2015-9

A RESOLUTION OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT ACCEPTING THE CERTIFICATION OF THE DISTRICT ENGINEER THAT THE SERIES 2013 PROJECT IS COMPLETE; DECLARING THE SERIES 2013 PROJECT COMPLETE; FINALIZING THE SPECIAL ASSESSMENTS SECURING THE DISTRICT'S SERIES 2013 SPECIAL ASSESSMENT BONDS; PROVIDING FOR A SUPPLEMENT TO THE IMPROVEMENT LIEN BOOK; DECLARING THAT CERTAIN TRUE-UP OBLIGATIONS REMAIN THE SAME; PROVIDING FOR SEVERABILITY, CONFLICTS AND AN EFFECTIVE DATE.

SECTION 4. FINALIZATION OF SPECIAL ASSESSMENTS SECURING SERIES 2013 Bonds.

Pursuant to Section 170.08, Florida Statutes and the Assessment Resolution, special assessments securing the Series 2013 Bonds on benefitted land within the District are to be credited the difference in the assessment as originally made, approved, and confirmed and a proportionate part of the actual cost of the Series 2013 Project. Based on the zero balance of the Series 2013 Acquisition and Construction Account at the time of receipt of the Engineer's Certification, there is no difference between the assessment as originally made, approved and confirmed and any proportionate part of the actual cost of the Series 2013 Project to credit towards the special assessments that are securing, or had secured, the Series 2013 Bonds. Therefore, pursuant to Section 170.08, Florida Statutes, and the Assessment Resolution, the special assessments on parcels specially benefitted by the Series 2013 Project are hereby finalized in the amount of the outstanding debt due on the Series 2013 Bonds and are apportioned in accordance with the Assessment Methodology upon the specially benefitted lands indicated in the District's Assessment Lien Roll attached hereto, and incorporated herein, as Exhibit B. The District's Assessment Lien Roll reflects the finalized assessments still due on the parcels benefitted by the Series 2013 Bonds.

SECTION 5. IMPROVEMENT LIEN BOOK. Immediately following the adoption of this Resolution these special assessments as reflected herein shall be recorded by the Secretary of the Board of the District in the District's "Improvement Lien Book." The special assessment or assessments against each respective parcel shall be and shall remain a legal, valid and binding first lien on such parcel until paid and such lien shall be coequal with the lien of all state, county, school district, municipal or other governmental taxes and superior in dignity to all other liens, titles, and claims.

SECTION 6. APPLICATION OF TRUE-UP PAYMENTS. Pursuant to the Assessment Methodology and the Assessment Resolution, among other documents, there may be required from time to time certain True-Up payments. Nothing herein shall be deemed to amend or alter the requirement to make True-Up payments as and when due, if any.

SECTION 7. CONFLICTS. This Resolution is intended to supplement Resolution 2014-1 and Resolution 2014-4, which remain in full force and effect (except as previously modified or amended) and except to the extent modified herein. This Resolution, Resolution 2014-1, and Resolution 2014-4 shall be construed to the maximum extent possible to give full force and effect to the provisions of each resolution. All District resolutions or parts thereof in actual conflict with this Resolution are, to the extent of such conflict, superseded and repealed.

SECTION 8. SEVERABILITY. If any section or part of a section of this Resolution be declared invalid or unconstitutional, the validity, force and effect of any other section or part of a section of this

RESOLUTION NO. 2015-9

A RESOLUTION OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT ACCEPTING THE CERTIFICATION OF THE DISTRICT ENGINEER THAT THE SERIES 2013 PROJECT IS COMPLETE; DECLARING THE SERIES 2013 PROJECT COMPLETE; FINALIZING THE SPECIAL ASSESSMENTS SECURING THE DISTRICT'S SERIES 2013 SPECIAL ASSESSMENT BONDS; PROVIDING FOR A SUPPLEMENT TO THE IMPROVEMENT LIEN BOOK; DECLARING THAT CERTAIN TRUE-UP OBLIGATIONS REMAIN THE SAME; PROVIDING FOR SEVERABILITY, CONFLICTS AND AN EFFECTIVE DATE.

Resolution shall not thereby be affected or impaired unless it clearly appears that such other section or part of a section of this Resolution is wholly or necessarily dependent upon the section or part of a section so held to be invalid or unconstitutional, it being expressly found and declared that the remainder of this Resolution would have been adopted despite the invalidity of such section or part of such section.

SECTION 9. EFFECTIVE DATE. This Resolution shall become effective upon its adoption.

PASSED AND ADOPTED this 12th day of March, 2015.

Attest:

**FLOW WAY COMMUNITY
DEVELOPMENT DISTRICT**

James P. Ward, Secretary

John Asher, Chairman

Exhibit A: Letter of the Consulting Engineer dated April 24, 2015

Exhibit B: Assessment Lien Roll



WALDROP ENGINEERING
CIVIL ENGINEERING & LAND DEVELOPMENT CONSULTANTS

28100 BONITA GRANDE DR. #305
BONITA SPRINGS, FL 34135
P: 239-405-7777
F: 239-405-7899

**Flow Way Community Development District
Engineers Certificate of Completion
Series 2013 Bonds**

The undersigned, acting on behalf of Waldrop Engineering, as Consulting Engineers to the Flow Way Community Development District (the "Issuer"), in connection with Issuer's Flow Way Community Development District (Collier County, Florida) Special Assessment Bond Series 2013 (the Bonds"), hereby certifies, in the opinion of the Consulting Engineers, as follows:

1. The 2013 Project, as describe in the 2013 Supplement Trust Indenture by and between the Flow Way Community Development District and Wells Fargo Bank, National Association, dated December 1, 2013, and fund were sufficient to complete the Project in accordance with the plans and specifications therefore, and that there currently exists \$ 0.00 in excess construction funds which may be transferred in accordance with the Trust Indenture to the appropriate trust account for the repayment of principal and interest due on the Series 2013 Bonds.
2. The project has been completed in accordance with the specifications therefore and all labor, services, materials and supplies used in the project have been paid for and acknowledgements of such payments have been obtained from all contractors and suppliers.
3. This certificate is given without prejudice to any rights against third parties which exist at the date of certification, or which may subsequently come into being.

IN WITNESS WHEREOF, I HAVE SIGNED the Certificate on behalf of the Consulting Engineer, this 24 day of April, 2015.

Waldrop Engineering, P.A.

BY: 
David V. Willems, P.E.

Flow Way Community Development District

Exhibit B

PARCEL ID	Unit Type	Number of Units assigned to Parcel	NAME 1	NAME 2	NAME 3	CITY	STATE	ZIP	LEGAL DESC	CAPITAL ASSESSMENT
31346502383	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 227	\$ 15,030.12
31346502406	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 228	\$ 15,030.12
31346502422	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 229	\$ 15,030.12
31346502448	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 230	\$ 15,030.12
31346502464	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 231	\$ 15,030.12
31346502480	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 232	\$ 15,030.12
31346502503	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 233	\$ 15,030.12
31346502529	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 234	\$ 15,030.12
31346502545	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 235	\$ 15,030.12
31346502561	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 236	\$ 15,030.12
31346502587	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 237	\$ 15,030.12
31346502600	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 238	\$ 15,030.12
31346502626	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 239	\$ 15,030.12
31346502642	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 240	\$ 15,030.12
31346502668	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 241	\$ 15,030.12
31346502684	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 242	\$ 15,030.12
31346502707	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 243	\$ 15,030.12
31346502723	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 244	\$ 15,030.12
31346502749	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 245	\$ 15,030.12
31346502765	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 246	\$ 15,030.12
31346502781	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 247	\$ 15,030.12
31346502804	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 248	\$ 15,030.12
31346502820	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 249	\$ 15,030.12
31346502846	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 250	\$ 15,030.12
31346502862	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 251	\$ 15,030.12
31346503706	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 293	\$ 15,030.12
31346503722	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 294	\$ 15,030.12
31346503748	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 295	\$ 15,030.12
31346503764	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 296	\$ 15,030.12
31346503780	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 297	\$ 15,030.12
31346503803	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 298	\$ 15,030.12
31347512149	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 3	\$ 15,030.12
31347512165	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 4	\$ 15,030.12
31347514024	52	1	CARUSO, ANTHONY E =& DEBORA J	52 STEVENS AVE		MERRICK	NY	11566	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 98	\$ 15,030.12
31347514040	52	1	SCIMIO, MARK A=& LORI L	1114 HEARTHSTONE DR		O'FALLON	IL	62269	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 99	\$ 15,030.12
31347514066	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 100	\$ 15,030.12
31347514082	52	1	R D & C L BIRON REV TRUST	8862 VACCARO CT		NAPLES	FL	34110	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 101	\$ 15,030.12
31347514105	52	1	SCARDIGLI, DENNIS=& THERESA	8 OAK AVE		HADDONFIELD	NJ	08033	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 102	\$ 15,030.12
31347514121	52	1	STALEY, EDMUND J=& CAROL A	8854 VACCARO COURT		NAPLES	FL	34110	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 103	\$ 15,030.12
31347514147	52	1	SNK ENTERPRISES LLC	8850 VACCARO CT		NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 104	\$ 15,030.12

**Flow Way Community Development District
Exhibit B**

PARCEL ID	Unit Type	Number of Units assigned to Parcel	NAME 1	NAME 2	NAME 3	CITY	STATE	ZIP	LEGAL DESC	CAPITAL ASSESSMENT
31347514163	52	1	RENE RICHARD REVOCABLE TRUST	HARRIET RICHARD REV TRUST	8846 VACCARO COURT	NAPLES	FL	34110	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 105	\$ 15,030.12
31347514189	52	1	LUCIEN POULIOT LIVING TRUST	8165 ROSTAND		BROSSARD	QC	J4X2R7	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 106	\$ 15,030.12
31347514202	52	1	KURE, KARL=& ANITA M	8838 VACCARO CT		NAPLES	FL	34110	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 107	\$ 15,030.12
31347514228	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 108	\$ 15,030.12
31347514244	52	1	THOMPSON, KEVIN=& JANICE	8830 VACCARO CT		NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 109	\$ 15,030.12
31347514260	52	1	J R & P GIUFFRIDA REV TRUST	8826 VACCARO CT		NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 110	\$ 15,030.12
31347514286	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 111	\$ 15,030.12
31347514309	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 112	\$ 15,030.12
31347514325	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 113	\$ 15,030.12
31347514341	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 114	\$ 15,030.12
31347514367	52	1	TONY B HAYES TRUST	8806 VACAARO CT		NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 115	\$ 15,030.12
31347514383	52	1	BOUGUSLAWSKI, DAVID H=& JANE E	8802 VACCARO CT		NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 116	\$ 15,030.12
31347514406	52	1	DOCHERTY, DENNIS W	MICHELLE A DOCHERTY	8807 VACCARO CT	NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 117	\$ 15,030.12
31347514422	52	1	DILIBERTO, LISA	8815 VACCARO COURT		NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 118	\$ 15,030.12
31347514448	52	1	LAVERY, ROBERT E=& CAROL G	8819 VACCARO CT		NAPLES	FL	34110	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 119	\$ 15,030.12
31347514464	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 120	\$ 15,030.12
31347514480	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 121	\$ 15,030.12
31347514503	52	1	BENJAMIN, DOUGLAS C	MARGARET A BENJAMIN	8831 VACCARO CT	NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 122	\$ 15,030.12
31347514529	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 123	\$ 15,030.12
31347514545	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 124	\$ 15,030.12
31347514561	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 125	\$ 15,030.12
31347514587	52	1	NOLEK, DONALD J=& KATHLEEN V	8847 VACCARO COURT		NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 126	\$ 15,030.12
31347514600	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 127	\$ 15,030.12
31347514626	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 128	\$ 15,030.12
31347514642	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 129	\$ 15,030.12
31347514668	52	1	MUMA, LENNY LEE	8867 VACCARO CT		NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 130	\$ 15,030.12
31347514684	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 131	\$ 15,030.12
31347514707	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 132	\$ 15,030.12
31347514723	52	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 133	\$ 15,030.12
31346502888	57	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 252	\$ 19,903.05
31346502901	57	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 253	\$ 19,903.05
31346502927	57	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 254	\$ 19,903.05
31346502943	57	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2 LOT 255	\$ 19,903.05

Flow Way Community Development District

Exhibit B

PARCEL ID	Unit Type	Number of Units assigned to Parcel	NAME 1	NAME 2	NAME 3	CITY	STATE	ZIP	LEGAL DESC	CAPITAL ASSESSMENT
31347513449	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 69	\$ 26,859.33
31347513465	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 70	\$ 26,859.33
31347513481	62	1	KREPEL, JOYCE	8908 SAVONA CT		NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 71	\$ 26,859.33
31347513504	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 72	\$ 26,859.33
31347513520	62	1	BENDER, THOMAS C=& MARY M	P O BOX 686		PEQUOT	MN	56472	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 73	\$ 26,859.33
31347513546	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 74	\$ 26,859.33
31347513562	62	1	LUNDELL, CHRIS BENJAMIN	SUSAN MARY LUNDELL	8884 SAVONA CT	NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 75	\$ 26,859.33
31347513588	62	1	MAHANEY, DAVID G=& GERALDINE J	8880 SAVONA CT		NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 76	\$ 26,859.33
31347513601	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 77	\$ 26,859.33
31347513627	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 78	\$ 26,859.33
31347513643	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 79	\$ 26,859.33
31347513669	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 80	\$ 26,859.33
31347513685	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 81	\$ 26,859.33
31347513708	62	1	MALHOTRA, YOGESH=& NEELAM	8856 SAVONA CT		NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 82	\$ 26,859.33
31347513724	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 83	\$ 26,859.33
31347513740	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 84	\$ 26,859.33
31347513766	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 85	\$ 26,859.33
31347513782	62	1	SANDRA L STONER REV TRUST	8840 SAVONA CT		NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 86	\$ 26,859.33
31347513805	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 87	\$ 26,859.33
31347513821	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 88	\$ 26,859.33
31347513847	62	1	WOOD, THOMAS FRANCIS=& DONNA	8828 SAVONA CT		SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 89	\$ 26,859.33
31347513863	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 90	\$ 26,859.33
31347513889	62	1	MICHAEL K BENNIS &	DONNA CARRUTH REV TRUST	8820 SAVONA CT	NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 91	\$ 26,859.33
31347513902	62	1	PECKHAM, LARRY D=& SUSAN W	8816 SAVONA CT		NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 92	\$ 26,859.33
31347513928	62	1	MARRANCA, MICHAEL D=& SANDRA J	NAPLES LLC	20 CROWN POINTE LANE	WILLIAMSVILLE	NY	14221	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 93	\$ 26,859.33
31347513944	62	1	PANTALEO JR, ANTHONY=& RENEE M	9 LAUREN AVE		DIX HILLS	NY	11746	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 94	\$ 26,859.33
31347513960	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 95	\$ 26,859.33
31347513986	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 96	\$ 26,859.33
31347514008	62	1	1999 SANSONE FAMILY TRUST	8853 SAVONA CT		NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 97	\$ 26,859.33
31347514749	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 134	\$ 26,859.33
31347514765	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 135	\$ 26,859.33
31347514781	62	1	SIBOL, THOMAS P	95 VIDA LANE		DOVER	PA	17315	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 136	\$ 26,859.33
31347514804	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 137	\$ 26,859.33
31347514820	62	1	HENNESSY, ROBERT J=& MARY ANN	8891 SAVONA CT		NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 138	\$ 26,859.33
31347514846	62	1	THEURKAUF, PATRICIA A	8895 SAVONA COURT		NAPLES	FL	34110	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 139	\$ 26,859.33
31347514862	62	1	STAMP, ZACHARY L	DIANE K FORD	8899 SAVONA CT	NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 140	\$ 26,859.33
31347514888	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 141	\$ 26,859.33
31347514901	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 142	\$ 26,859.33
31347514927	62	1	PARSONS, SCOTT JOHN	8911 SAVONA CT		NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 143	\$ 26,859.33
31347514943	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 144	\$ 26,859.33
31347514969	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 145	\$ 26,859.33
31346500068	62	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOTS 6-8, LOT 8	\$ 26,859.33
31346500026	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOTS 6-8, LOT 6	\$ 40,136.07
31346500042	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOTS 6-8, LOT 7	\$ 40,136.07
31347512107	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 1	\$ 40,136.07
31347512123	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 2	\$ 40,136.07
31347512262	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 9	\$ 40,136.07

**Flow Way Community Development District
Exhibit B**

PARCEL ID	Unit Type	Number of Units assigned to Parcel	NAME 1	NAME 2	NAME 3	CITY	STATE	ZIP	LEGAL DESC	CAPITAL ASSESSMENT
31347512288	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 10	\$ 40,136.07
31347512301	76	1	BOGAN, JEFFREY M=& SUSAN L	8669 CAVANO ST		NAPLES	FL	34110	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 11	\$ 40,136.07
31347512327	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 12	\$ 40,136.07
31347512343	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 13	\$ 40,136.07
31347512369	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 14	\$ 40,136.07
31347512385	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 15	\$ 40,136.07
31347512408	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 16	\$ 40,136.07
31347512424	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 17	\$ 40,136.07
31347512440	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 18	\$ 40,136.07
31347512466	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 19	\$ 40,136.07
31347512482	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 20	\$ 40,136.07
31347512505	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 21	\$ 40,136.07
31347512521	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 22	\$ 40,136.07
31347512547	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 23	\$ 40,136.07
31347512563	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 24	\$ 40,136.07
31347512589	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 25	\$ 40,136.07
31347512602	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 26	\$ 40,136.07
31347512628	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 27	\$ 40,136.07
31347512644	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 28	\$ 40,136.07
31347512660	76	1	BOGGS, JAMES M=& JANICE W	8643 AMOUR CT		NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 29	\$ 40,136.07
31347512686	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LO 30	\$ 40,136.07
31347512709	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 31	\$ 40,136.07
31347512725	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 32	\$ 40,136.07
31347512741	76	1	FISCHER, RONALD P=& LINDA M	8625 AMOUR COURT		NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 33	\$ 40,136.07
31347512767	76	1	JILL R AUSTIN TRUST	8620 ARMOUR CT		NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LO 34	\$ 40,136.07
31347512783	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 35	\$ 40,136.07
31347512806	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 36	\$ 40,136.07
31347512822	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 37	\$ 40,136.07
31347512848	76	1	JOSEPH J PESTANA III REV TRUST	SUSAN PESTANA REV TRUST	17 GRANT DR	BEDFORD	NH	03110	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 38	\$ 40,136.07
31347512864	76	1	BAUERIE III, HARRY T	EVELYN D UNDERWOOD	8640 AMOUR CT	NAPLES	FL	34119	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 39	\$ 40,136.07
31347512880	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 40	\$ 40,136.07
31347512903	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 41	\$ 40,136.07
31347512929	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 42	\$ 40,136.07
31347512945	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 43	\$ 40,136.07
31347512961	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 44	\$ 40,136.07
31347512987	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 45	\$ 40,136.07
31347513009	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 46	\$ 40,136.07
31347513025	76	1	R E & VERA MILLER REV TRUST	8670 ARMOUR COURT		NAPLES	FL	34110	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 47	\$ 40,136.07
31347513041	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 48	\$ 40,136.07
31347513067	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 49	\$ 40,136.07
31347513083	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 50	\$ 40,136.07
31347513106	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 51	\$ 40,136.07
31347513122	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 52	\$ 40,136.07
31347513148	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 53	\$ 40,136.07
31347513164	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 54	\$ 40,136.07
31347513180	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 55	\$ 40,136.07

Flow Way Community Development District

Exhibit B

PARCEL ID	Unit Type	Number of Units assigned to Parcel	NAME 1	NAME 2	NAME 3	CITY	STATE	ZIP	LEGAL DESC	CAPITAL ASSESSMENT
31347513203	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 56	\$ 40,136.07
31347513229	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 57	\$ 40,136.07
31347513245	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 58	\$ 40,136.07
31347513261	76	1	TAYLOR, JAMES M=& CAROL A	8686 AMOUR CT		NAPLES	FL	34110	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 59	\$ 40,136.07
31347513287	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 60	\$ 40,136.07
31347513300	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 61	\$ 40,136.07
31347513326	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 62	\$ 40,136.07
31347513342	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 63	\$ 40,136.07
31347513368	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 64	\$ 40,136.07
31347513384	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 65	\$ 40,136.07
31347513407	76	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES LOT 66	\$ 40,136.07
31347510060	Multi Family	48	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES TRACT F2	\$ 629,028.48
31347510565	Multi Family	40	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD # 2000	SCOTTSDALE	AZ	85251	ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES TRACT F3, LESS THAT PORTION NKA BELLANO I AT ESPLANADE NAPLES, A CONDOMINIUM AS DESC IN OR 5131 PG 1479 (PH 1)	\$ 524,190.40
23899100020	Multi-Family	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	BELLANO I AT ESPLANADE NAPLES A CONDOMINIUM PHASE 1-101	\$ 13,104.76
23899100046	Multi-Family	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	BELLANO I AT ESPLANADE NAPLES A CONDOMINIUM PHASE 1-102	\$ 13,104.76
23899100062	Multi-Family	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	BELLANO I AT ESPLANADE NAPLES A CONDOMINIUM PHASE 1-103	\$ 13,104.76
23899100088	Multi-Family	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	BELLANO I AT ESPLANADE NAPLES A CONDOMINIUM PHASE 1-104	\$ 13,104.76
23899100101	Multi-Family	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	BELLANO I AT ESPLANADE NAPLES A CONDOMINIUM PHASE 1-201	\$ 13,104.76
23899100127	Multi-Family	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	BELLANO I AT ESPLANADE NAPLES A CONDOMINIUM PHASE 1-202	\$ 13,104.76
23899100143	Multi-Family	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	BELLANO I AT ESPLANADE NAPLES A CONDOMINIUM PHASE 1-203	\$ 13,104.76
23899100169	Multi-Family	1	TAYLOR MORRISON ESPLANADE	NAPLES LLC	4900 N SCOTTSDALE RD #2000	SCOTTSDALE	AZ	85251	BELLANO I AT ESPLANADE NAPLES A CONDOMINIUM PHASE 1-204	\$ 13,104.76
	Total:	322								\$ 7,050,000.45

RESOLUTION NO. 2015-10

A RESOLUTION OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT SUPPLEMENTING AND AMENDING RESOLUTION 2015-8 WHICH RESOLUTION PREVIOUSLY EQUALIZED, APPROVED, CONFIRMED, IMPOSED AND LEVIED SPECIAL ASSESSMENTS ON AND PECULIAR TO PROPERTY SPECIALLY BENEFITED (APPORTIONED FAIRLY AND REASONABLY) BY THE DISTRICT'S PROJECTS; APPROVING AND ADOPTING THE SPECIAL ASSESSMENT METHODOLOGY FOR FLOW WAY COMMUNITY DEVELOPMENT DISTRICT PREPARED BY JPWARD & ASSOCIATES, LLC AND DATED APRIL 9, 2015 FOR PHASE 3, WHICH SETS FORTH THE SPECIFIC TERMS OF THE FLOW WAY COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT BONDS, SERIES 2015; PROVIDING FOR THE SUPPLEMENTATION OF THE SPECIAL ASSESSMENTS AS SET FORTH IN THE IMPROVEMENT LIEN BOOK; AMENDING SECTION 7(a) of RESOLUTION 2015-8 TO CORRECT A SCRIVENER'S ERROR; AND PROVIDING FOR SEVERABILITY, CONFLICTS, AND AN EFFECTIVE DATE.

WHEREAS, the Board of Supervisors of Flow Way Community Development District (the "Board" and the "District" respectively) proceeded with the sale and issuance of \$3,950,000 Flow Way Community Development District Special Assessment Bonds, Series 2015 (the "Series 2015 Bonds") pursuant to the delegation resolution known as Resolution 2015-6 adopted by the Board on February 10, 2015; and

WHEREAS, the Series 2015 Bonds were issued under and pursuant to a Master Trust Indenture, dated as of December 1, 2013 (the "Master Indenture"), between the District and U.S. Bank National Association, as successor Trustee (the "Trustee"), as amended and supplemented by a Second Supplemental Trust Indenture, dated as of April 1, 2015, between the District and the Trustee (the "Supplemental Indenture"). The Master Indenture and the Supplemental Indenture are sometimes collectively referred to herein as the "Indenture"; and

WHEREAS, the Board has previously indicated its intention to undertake, install, establish, construct or acquire certain public improvements described in Resolution 2015-8 (the "Project") and to finance a portion of the Project through the imposition of special assessments on benefitted property within the District (the "Assessments"); and

WHEREAS, the District previously adopted Resolution 2015-8, equalizing, approving, confirming, imposing and levying the Assessments on the property specially benefitted by the Project within the District described in Resolution 2015-8 for the purpose of generating funds to repay the Series 2015 Bonds, which Resolution is still in full force and effect; and

WHEREAS, pursuant to and consistent with the terms of Resolution 2015-8 relating to the Assessments, this Resolution revises the Assessments adopted pursuant to Resolution 2015-8 and adopts a final assessment roll for the Series 2015 Bonds consistent with the final terms of the Series 2015 Bonds to be issued by the District, and ratifies and confirms the lien of the levy of the Assessments securing the Series 2015 Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE FLOW WAY COMMUNITY DEVELOPMENT DISTRICT AS FOLLOWS:

Section 1. Definitions. All words and phrases used herein in capitalized form, unless otherwise defined herein, shall have the meaning ascribed to them in the Indenture.

Section 2. Authority for this Resolution. This Resolution is adopted pursuant to Chapter 190, Florida Statutes, including without limitation, Sections 190.021 and 190.022, Florida Statutes; Chapter 170, Florida Statutes including without limitation, Section 170.08, Florida Statutes; and Chapter 197, Florida Statutes including, without limitation, Section 197.3632, Florida Statutes.

Section 3. Findings. As a supplement to the findings set forth in Resolution 2015-8, the Board of the District hereby finds and determines as follows:

- a. The above recitals are true and correct and are incorporated herein by this reference.
- b. On February 17, 2015, the District, after due notice and public hearing, adopted Resolution 2015-8, which, among other things, equalized, approved, confirmed and levied the Assessments on property specially benefiting from the Project authorized by the District.
- c. That certain Special Assessment Methodology Report for Flow Way Community Development District prepared by JPWard & Associates, LLC and dated April 9, 2015 for Phase 3, a copy of which attached hereto and made a part of this Resolution as Exhibit "A" (the "Final Assessment Report"), applies the methodology previously approved for the benefitted parcels under Resolution 2015-8 to the terms of the Series 2015 Bonds, and establishes an assessment roll for the Series 2015 Bonds.
- d. The Project to be funded by the Series 2015 Bonds, will specially benefit the benefitted parcels as reflected in the assessment roll in the Final Assessment Report. It is reasonable, proper, just and right to assess the costs of these improvements financed with the Series 2015 Bonds on the lands described in the Final Assessment Report.
- e. The sale, issuance and closing of the Series 2015 Bonds, and the confirmation of assessments on the benefitted lands, are in the best interests of the District.
- f. The issuance and sale of the Series 2015 Bonds, the adoption of all resolutions relating to the Series 2015 Bonds, and all actions taken in furtherance of the closing on the Series 2015 Bonds, are declared and affirmed as being in the best interest of the District and are hereby ratified, approved and confirmed.

Section 4. Supplemental Assessment Report. The Board hereby adopts the Final Assessment Report. The Board finds and determines that it is reasonable, proper, just and right to assess the cost of the Project against the properties specially benefited thereby using the original methodology determined by the Board set forth in Special Assessment Methodology for Flow Way Community Development District prepared by JPWard & Associates, LLC and dated January 13, 2015 for Phase 3, as now modified and supplemented by applying the reduced debt service requirement as described in the Final Assessment Report based upon the specific terms of the Series 2015 Bonds, which results in the Special Assessments set forth on the final assessment roll provided in the Final Assessment Report.

Section 5. Equalization, Approval, Confirmation and Levy of Special Assessments. The Assessments on and peculiar to the parcels specifically benefited by the Series 2015 Project, all as previously equalized, approved, confirmed and imposed and levied pursuant to Resolution 2015-8 are hereby modified as specified in the final assessment roll set forth in Section 8.0 of the Final Assessment Report. The Assessments as modified in the Final Assessment Report are hereby equalized, approved, confirmed and imposed and levied. Immediately following the adoption of this Resolution, the Assessments recorded by the Secretary of the Board of the District in its Improvement Lien Book shall be amended to reflect the reduced debt service requirement as described in the Final Assessment Report based upon the terms of the Series 2015 Bonds. The Special Assessments against each respective parcel shown on such final assessment roll and interest, costs and penalties thereon, shall be and shall remain a legal, valid and binding first lien on such parcel until paid and such lien shall be coequal with the lien of all state, county, district, municipal or other governmental taxes and superior in dignity to all other liens, titles and claims.

Section 6. Amendment to Section 7(a) of the Final Assessment Resolution to Correct Scrivener's Error. In order to correct a scrivener's error, Section 7(a) of Resolution 2015-8 is hereby amended and replaced in its entirety as follows (with text that is being added shown as underlined and text that is being deleted shown as lined through):

(a) Commencing with the year in which the Assessments are certified for collection and subsequent to any capitalized interest period, the Assessments shall be paid in not more than (30) thirty yearly installments, which installments shall include principal and interest as calculated in accordance with the Assessment Report. All Assessments collected utilizing the Uniform Method (as hereinafter defined) shall be the amount determined in the first sentence of this paragraph increased by the percentage costs of collection, necessary administrative costs and the maximum allowable discount for the early payment of taxes. The Assessments may be paid in full without interest at any time within thirty (30) days after the completion of the Project and the adoption by the Board of a resolution by the District accepting the Project; provided, however, that the Board shall at any time make such adjustments by resolution, at a noticed meeting of the Board, to that payment schedule as may be necessary and in the best interests of the District to account for changes in long and short term debt as actually issued by the District. At any time subsequent to thirty (30) days after the Project has been completed and a resolution accepting the Project has been adopted by the Board, the Assessments may be prepaid in full including interest amounts to the next succeeding interest payment date or to the second succeeding interest payment date if such a prepayment is made within twenty (20) calendar days before an interest payment date. The owner of property subject to the Assessments may prepay the entire remaining balance of the Assessments at any time, or a portion of the remaining balance of the Assessments at one time if there is also paid, in addition to the prepaid principal balance of the Assessments, an amount equal to the interest that would otherwise be due on such prepaid amount on the next succeeding interest payment date for the bonds, or, if prepaid during the twenty (20) forty-five day period preceding such interest payment date, to the interest payment date following such next succeeding interest payment date. Prepayment of the Assessments does not entitle the property owner to any discounts for early payment.

Section 7. Severability. If any section or part of a section of this Resolution is declared invalid or unconstitutional, the validity, force and effect of any other section or part of a section of this Resolution shall not thereby be affected or impaired unless it clearly appears that such other section or part of a section of this Resolution is wholly or necessarily dependent upon the section or part of a section so held to be invalid or unconstitutional.

Section 8. Conflicts. This Resolution is intended to supplement Resolution 2015-8, which remains in full force and effect except to the extent modified herein. This Resolution and Resolution 2015-8 shall be construed to the maximum extent possible to give full force and effect to the provisions of each resolution. All District resolutions or parts thereof in actual conflict with this Resolution are, to the extent of such conflict, superseded and repealed.

Section 9. Effective Date. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Board of Supervisors of Flow Way Community Development District, this ___ day of _____, 2015.

**FLOW WAY COMMUNITY
DEVELOPMENT DISTRICT**

Attest:

James P. Ward, Secretary

John Asher, Chairman

Exhibit A: Special Assessment Methodology for Flow Way Community Development District prepared by JPWard & Associates, LLC and dated April 9, 2015 for Phase 3

*FLOW WAY COMMUNITY DEVELOPMENT DISTRICT
SERIES 2015 CAPITAL IMPROVEMENT PROGRAM*

Series 2015 Bonds - \$3,950,000 Special Assessment Methodology

Prepared by:

JPWard & Associates LLC

JAMES P. WARD, Chief Operating Officer

954.658.4900

WARD9490@COMCAST.NET

4/9/2015

*2041 NE 6TH TERRACE
WILTON MANORS
FLORIDA 33305*

T A B L E O F C O N T E N T S

1.0	BACKGROUND AND THRESHOLD MATTERS	1-2
2.0	THE DISTRICT	2
3.0	PURPOSE OF THE REPORT	2-3
4.0	METHODOLOGY FOR ALLOCATION OF COSTS AND ASSESSMENTS	3-6
5.0	OVERVIEW OF ASSESSMENT METHODOLOGY; SPECIAL PECULIAR BENEFIT; REASONABLE AND FAIR APPROTIONMENT; PROPORTIONAT SPECIAL BENEFIT	6-22
6.0	OVERVIEW OF THE INVENTORY ADJUSTMENT DETERMINATION	22-23
7.0	ALLOCATION OF THE SERIES 2013 CAPITAL IMPROVEMENT REVENUE BONDS TO PROPERTIES IN THE DISTRICT	23-24
8.0	PRELIMINARY ASSESSMENT ROLL	25-28

1.0 BACKGROUND AND THRESHOLD MATTERS

The District was created and chartered by law and established on the property by Collier County effective February 26, 2002, as amended.

The District manages the provision of infrastructure to the community known as Esplanade Golf and Country Club of Naples, which is approximately 830 acres of land and is situated northwest of the intersection of Immokalee Road and County Road 951.

The District's single and special purpose is to manage the construction, acquisition, maintenance and financing of its public works including basic infrastructure, system, facilities, services and improvement.¹

The District was essentially been dormant since establishment, and in 2013 Taylor Morrison acquired or has option(s) to acquire the entire land area within the District. In 2013 the District issued its first Series of Bonds for the first two phases of development, which development is currently underway.

This report is intended to continue the development of the capital improvement program for this Series 2015 development plan, for Phase 3 and to define the special assessments that will be required to implement the capital improvement plan for Phase 3.

This report will identify the special and peculiar benefits for the works and services including added use of the property, added enjoyment of the property, and probability of increased

¹ See Florida Statutes sections 190.002(1)(a) and (c) and (3); Florida Statutes section 190.003(6); Florida Statutes section 190.012; and *State v. Frontier Acres Com. Develop.*, 472 So 2d 455 (Fla. 1985) in which the Florida Supreme Court opines about the "limited grant of statutory powers under chapter 190 [and] the narrow purpose of such districts" as "special purpose governmental units," where the narrow purpose is in the singular as applied to their powers in the plural. *Frontier Acres Com.*, at 456. The Supreme Court also references section 190.002, Florida Statutes, to "evidence the narrow objective" in providing community infrastructure in section 190.002(1)(a), Florida Statutes, opining that the "powers" of such districts "implement the single, narrow legislative purpose." *Id.* at 457.

marketability, value of the property and decreased insurance premiums will be evaluated for each of the revised residential and commercial product types to insure that the new assessments are fair, just and reasonable for all property within the District.

2.0 THE DISTRICT

The District was established by Ordinance of the Board of County Commissioner's of Collier County, Florida, effective February 26, 2002 and encompasses a total of 830 acres. The development, known as Esplanade Golf and Country Club of Naples also encompasses approximately 830 acres.

The District encompasses the community known as Esplanade Golf and Country Club of Naples and is situated northeast of the intersection of Immokalee Road and County Road 951.

Interstate 75 and U.S. 41 provide direct access to Fort Lauderdale and Miami, respectively. Interstate 75 also provides access to Fort Myers, Sarasota, Tampa and northern Florida. The Southwest Florida International Airport is located approximately forty (40) minutes north via Interstate 75, and the Miami International Airport is located approximately one (1) hour and forty-five (45) minutes east via Interstate 75.

3.0 PURPOSE OF THIS REPORT

This Special Assessment Report has been developed to provide a roadmap and lays out in detail each step for use by the Board for the imposition and levy of non-ad valorem special assessments. This report begins by introducing the Cost Allocation methodology, as prepared by Waldrop Engineering, Inc. to the Board, and then the report introduces the Assessment Methodology. These two methodologies constitute the District's procedure for instituting the Assessments to fund the capital improvement program for the District.

The Cost Allocation Methodology discloses the computations for the cost and dollar amounts for the systems, facilities and services provided by the District per parcel for each unity type of acre.

The Assessment Methodology outlines the properties within the District that are subject to the Assessment and the special benefit conferred peculiar to each property by, and received from, the systems, facilities and services provided by the District's capital improvement program. The Assessment Methodology will have three primary objectives: (1) to determine the special and peculiar benefits that flow to the assessable properties in the District from the capital improvement plan provided by the District; (2) to apportion the special benefits peculiar

to all parcels in a manner that is fair and reasonable, resulting in the proportionate special benefit; and (3) to apply the proportionate special benefit to the proposed allocated costs in each assessment category potentially resulting in a modification to the costs allocated and fixing the assessment per parcel or acre. The first two objectives of the Assessment Methodology set forth a framework to apply to the already allocated costs and dollar amount of assessments associated with the operations and maintenance expenditures benefiting properties. Once the framework is set, the proportionate special benefit may modify the earlier allocated dollar amounts of the assessments per parcel or per acre. The report is designed to conform to the requirements of Chapters 189, 190, 170 and 197, Florida Statutes, and is consistent with the District's understanding of the case law on this subject.

The existing systems, facilities and services earlier acquired and constructed by this District produced special benefits, peculiar to both acres and platted parcels, which were apportioned in a manner that is fair and reasonable and which were based on the development plan by the Original Developer. The current developer (Taylor Morrison Homes) has completely changed the entire development program based on current economic conditions. The new development plan which was implemented with the issuance of the District's Series 2013 Bonds, this report continues that implementation for Phase 3 development area. Through focused, pinpointed and responsive management by the District of its systems, facilities and services special benefits that flow peculiar to the properties are enhanced.

4.0 METHODOLOGY FOR ALLOCATING COSTS AND ASSESSMENTS

4.1 Cost Allocation

The allocation of costs in the cost allocation methodology is based on accepted practices in accordance with applicable laws and the procedure for the imposition, levy and collection of non-ad valorem special assessments as set forth in the District Charter ² and in conformity with State laws applicable to such assessments.

The allocation of costs is really in effect a disclosure of the costs as a first step towards determining the final dollar amount of the assessment per unit.

² See the Act in chapter 190, Florida Statutes.

The District's capital program can be broken down into six (6) broad categories: (1) surface water management system, (2) utilities including potable water, wastewater and irrigation, (3) exterior landscaping, (4) off-site improvements, (5) environmental mitigation and (6) professional & permit fees. Mitigation as used herein, is both on-site and off-site preserve enhancement, creation and preservation.

These programs have costs identified in Table 1 below and are merely the first step in the special assessments to be paid. To provide further information, the division (i.e., the allocation) of these cost for each program is further discussed in the Waldrop Engineering Inc., report dated January, 2015.

The special benefits that these programs provide to the properties are more fully disclosed in this report and a preview of some apportionment factors is helpful.³ The key to such factor is the use of Equivalent Residential Units (ERU's"). These units are a tried and true measurement to compare the costs as divided or allocated.

Table 1	
Phase 3 - Cost Allocation	
Description	Allocated Cost
Stormwater Management System	\$ 2,028,996.10
Utilities	
Potable Water	\$ 149,748.06
Sanitary Sewer	\$ 217,134.69
irrigation	\$ 192,116.17
Exterior Landscaping	\$ 176,343.28
Off-Site Improvement	\$ 124,939.50
Environmental Mitigation	\$ 258,636.19
Professional & Permit Fees	\$ 305,660.72
Total:	\$ 3,453,574.71

³ As will be disclosed later, apportionment determines the relative magnitude of the special benefits also and provides a further breakdown in costs.

4.2 Surface Water Management System

The District's surface water management system was designed to be an integrated and functional water management system for the treatment and attenuation of stormwater runoff for the entire District. As such, the allocation of costs are based on the capacity usage anticipated for each land use within the District and the Golf Course is treated as enumerated in 4.5 below.

4.3 Potable Water, Wastewater and Irrigation

The District's utility system consists of potable water, sanitary sewer and irrigation water for the community. The development within the District consists primarily residential properties, and a golf course with associated amenities. The potable water and sanitary sewer are divided among all property owners based on typical flow rates established by the District Engineer for similar use types based on the Florida Administrative Code, and that the irrigation water be distributed based on the anticipated use for each land use type. The Golf Course is treated as more fully identified in the Engineer's Report dated August, 2013.

4.4 Exterior Landscaping, Off-Site Improvements, Mitigation and Miscellaneous

The exterior landscaping consists of buffering along the project boundaries and is necessitated by the requirements of the Collier County Land Development Code, which requires landscape buffering along public roadways and between different zoning categories and uses within the County. As such, the allocation of costs are based on trip generation anticipated for each land use within the District and the Golf Course is treated as enumerated in 4.5 below.

4.5 Off-Site Improvements

The off-site improvements consist of transportation related improvements for County Road 951 Extension right-of-way. These improvements were also necessitated by the requirements of the Collier County Land PUD Ordinance NO. 12-14. These roadway improvement costs are divided between the various individual properties based on the size of a typical lot, according to the Engineer's report. The golf course trips are generated only from within the District, since the Golf Course will be owned by the Homeowner's Association, and as such, no costs are appropriately allocated to the golf course.

4.6 Environmental Mitigation

The environmental mitigation costs consist of wetland and other habitat improvements caused by the development of Esplanade Golf & Country Club of Naples, to replace existing

wetlands. As such, the allocation of costs are based on the capacity usage anticipated for each land use within the District and the Golf Course is treated as identified in 4.5 above.

4.7 Professional & Permit Fees

Professional and Permit costs are allocated based on the typical lot size anticipated for each land use within the District, and the Golf Course is treated as enumerated in 4.5 above.

5.0 OVERVIEW OF ASSESSMENT METHODOLOGY; SPECIAL PECULIAR BENEFIT; REASONABLE AND FAIR APPORTIONMENT; PROPORTIONATE SPECIAL BENEFIT

The purpose of this Assessment Methodology is to discuss the special benefits peculiar to the properties from construction and acquisition of the District systems, facilities and services, along with the further enhancement and enjoyment of the property from the District's use of its special pinpointed and focused management capabilities to construct these systems, facilities and services.

The Assessment Methodology herein constitutes a valid and legal methodology for the Flow Way Community Development District in that it confers special benefits peculiar to the properties and apportions those benefits in a reasonable and fair manner resulting in and applying the proportionate special benefit. This section is broken down into four (4) subsections:

Subsection 5.1 provides a detailed overview of the requirements for a valid special assessment. In this subsection, Florida's legal requirements to make the assessments liens equal in dignity to property taxes are explained and detailed. (A lien travels with the property and may result in the loss of the property if it is not paid.)

Subsection 5.2 identifies and details the actual special benefits flowing from the District's construction activities of it's, systems, facilities and services to the properties. A breakdown of each special benefit (added use, added enjoyment, the combination of enhanced value and increased marketability and finally decreased insurance premiums) is provided and the way the properties are benefited is explained.

Subsection 5.3 covers the apportionment of these special benefits. This subsection shows the proportion of the special benefit flowing to the individual properties. For example, the Off-site Services will create equal special benefits peculiar to individual properties. That is, the relative magnitude of any one of these special benefits to any one property is proportional to

the special benefits to another property. Similarly, the Water Management Services will benefit certain properties more than others, as will the Utilities and Irrigation Services.

The special benefits can be broken down into a percentage of the overall special benefit flowing based on each category. This section explains this breakdown in specificity for each property unit type in relation to the magnitude of the special benefit each property unit enjoys. This apportionment results in the proportionate special benefit.

Subsection 5.4 applies the proportionate special benefit to the dollar amount allocated in the Cost Allocation Methodology.

5.1 Requirements For a Valid Assessment Methodology

Valid assessments under Florida Law have two (2) requirements that must be met by the Board using this methodology to provide that the assessments will be liens on property equal in dignity to County property tax liens and to justify reimbursement by the property owners to the District for the special benefits received by and peculiar to their properties.

First, the properties assessed must receive, peculiar to the acre or parcel of property, a special benefit that flows as a logical connection from the systems, facilities and services constituting improvements.⁴ The courts recognize added use, added enjoyment, enhanced value

⁴ The two basic requirements for a valid assessment under law are stated succinctly in *City of Boca Raton v. State*, 595 So. 2d 25, 29 (Fla. 1992) *holding modified by Sarasota County v. Sarasota Church of Christ, Inc.*, 667 So. 2d 180 (Fla. 1995) and *modified sub nom. Collier County v. State*, 733 So. 2d 1012 (Fla. 1999) ("There are two requirements for the imposition of a valid special assessment. First, the property assessed must derive a special benefit from the service provided. Second, the assessment must be fairly and reasonably apportioned among the properties that receive the special benefit.") (Citations omitted). The requirement that the benefits received from the property must be peculiar to the parcel or acres is stated in *City of Boca Raton v. State*, 595 So. 2d 25, 29 (Fla. 1992) *holding modified by Sarasota County v. Sarasota Church of Christ, Inc.*, 667 So. 2d 180 (Fla. 1995) and *modified sub nom. Collier County v. State*, 733 So. 2d 1012 (Fla. 1999) (A special assessment "is imposed upon the theory that that portion of the community which is required to bear it receives some special or peculiar benefit in the enhancement of value of the property against which it is imposed as a result of the improvement made with the proceeds of the special assessment."). The requirement for the

(footnote continued)

and decreased insurance premiums as the special benefits that flow as a logical connection from the systems, facilities and services peculiar to the property. Additionally, the properties will receive the special benefit of enhanced marketability.

Second, the special benefits must be fairly and reasonably apportioned in relation to the magnitude of the special benefit received by and peculiar to the various properties being assessed,⁵ resulting in the proportionate special benefit to be applied.

Although property taxes are automatically liens on the property, non-ad valorem assessments, including special assessments, are not automatically liens on the property but will become liens if the governing Board applies the following test in an informed, non-arbitrary manner. If this test for lienability is determined in a manner that is informed and non-arbitrary by the Board of Supervisors of the District, as a legislative determination, then the special assessments may be imposed, levied, collected and enforced as a first lien on the property equal in dignity to the property tax lien.⁶ Florida courts have found that it is not necessary to calculate

existence of a logical connection from the systems, facilities and services constituting the improvements to the parcel or acre is found in *Lake County v. Water Management Corp.*, 695 So. 2d 667, 669 (Fla. 1997) (The test for evaluating whether a special benefit is conferred to property by the services for which an assessment is imposed “is whether there is a ‘logical relationship’ between the services provided and the benefit to real property.”)

⁵ *City of Boca Raton v. State*, 595 So. 2d 25, 29 (Fla. 1992) *holding modified by Sarasota County v. Sarasota Church of Christ, Inc.*, 667 So. 2d 180 (Fla. 1995) and *modified sub nom. Collier County v. State*, 733 So. 2d 1012 (Fla. 1999).

⁶ *Workman Enterprises, Inc. v. Hernando County*, 790 So. 2d 598, 600 (Fla. 5th DCA 2001) (“When a trial court is presented with a property owner's challenge to a special assessment the appropriate ‘standard of review is the same for both prongs; that is, the legislative determination as to the existence of special benefits and as to the apportionment of the costs of those benefits should be upheld unless the determination is arbitrary.”) (Citation omitted). § 170.09, Fla. Stat. (2010) (“The special assessments . . . shall remain liens, coequal with the lien of all state, county, district, and municipal taxes, superior in dignity to all other liens, titles, and claims, until paid.”)

special benefits with mathematical precision at the time of imposition and levy⁷ so long as the levying and imposition process is not arbitrary, capricious or unfair.⁸

5.2 Special Peculiar Benefits

Focused, pinpointed and responsive management by the District of its systems, facilities and services, create and enhance special benefits that flow peculiar to property within the borders of the District, as well as general benefits to the public at large.

All benefits conferred on District properties are special benefits conferred on property because only property within the District will specially benefit from the enhanced services to be provided as a result of these new assessments. Any general benefits resulting from these assessments are incidental and are readily distinguishable from the special benefits that accrue to the property within the District. Properties outside the District do not depend on the District's programs and undertakings in any way for their own benefit and are therefore not considered to receive benefits for the purposes of this methodology. The four assessments imposed by this resolution are designed with the specific properties of the District in mind and for their exclusive special benefit.

⁷ *City of Boca Raton v. State*, 595 So. 2d 25, 31 (Fla. 1992) (In determining the special benefit each parcel or acre receives, the District is "not required to specifically itemize a dollar amount of benefit to be received by each parcel."). Pursuant to section 197.122(1), Florida Statutes, all taxes imposed pursuant to the State Constitution and laws of this state shall be a first lien, superior to all other liens, on any property against which the taxes have been assessed and shall continue in full force from January 1 of the year the taxes were levied until discharged by payment or until barred under chapter 95. Pursuant to the collection laws, section 197.3632, Florida Statutes, and all applicable case law, this provision on taxes also applies to non-ad valorem assessments.

⁸ *See Workman Enterprises, Inc. v. Hernando County*, 790 So. 2d 598 (Fla. 5th DCA 2001), *supra* note 5, at 600.

5.2.1 General Review

From the District's focused and pinpointed management flows the special benefit peculiar to each parcel or acre of added use of the property. This special benefit of added use of a piece of property contemplates the increased ability to "use" the property for its intended purpose.

The District's control and management will also provide another special benefit peculiar to each parcel or acre of added enjoyment of the property. The special benefit of added enjoyment of property contemplates the increase in the satisfaction or quality of use of the specially benefitted property.

Additionally, the District's control and management will provide the special benefit peculiar to each parcel or acre of the probability of increased marketability and value of the property. The dollar increase in the value of the property could be determined at a later time by a property appraiser.

Because the benefits of the District's control and management are greater than the costs of the assessments, an overall net special benefit occurs. This net special benefit equates into an increase in at least some of the property values of the surrounding homes. An increase in property values makes these properties more marketable and more saleable. Put differently, when a property's value increases and the price a property is for sale remains the same, the property will have a greater chance of being sold; therefore, the marketability of that property is increased.

Further, a derivative special benefit also exists from this increased marketability. Because of the overall benefit and increases in property values, the surrounding homes will increase in their marketability. More enhanced neighboring properties mean increased marketability. Therefore, even if a single property's value is not increased from the particular District service, many surrounding properties' value will increase, and the non-value improving property will still gain an increase in marketability.

Finally, the District's focused and pinpointed control and management will provide a special benefit peculiar to each parcel or acre of decreased insurance premiums. The monetary decrease in the insurance premiums could be determined at a later time by an insurance adjuster.

These special and peculiar benefits are real and ascertainable, but are not yet capable of being calculated and assessed as to value with mathematical certainty; however, their

magnitude can be determined with certainty today. Each special benefit is by orders of magnitude more valuable than the cost of, or the actual assessment imposed and levied for, the services and improvements that they provide peculiar to the receiving properties.

Accordingly, each system, facility and service provided by the District is discussed.

(A) Surface Water Management Systems, Facilities and Services

The Special Benefit of Added Use

From the District's focused and pinpointed management of the Surface Water Management System flows the special benefit peculiar to each parcel or acre of added use of the property. The special benefits peculiar to each parcel or acre from the Surface Water Management System that contributes, as a logical relationship, to the added use of property throughout the District are flood reduction and prevention and reduced over-drainage. The community is being developed as a bundled golf community, where each owner of property within the District will be a member of the Homeowner's Association and the Association will be the owner of the Golf Course. With this development concept, the development of the Golf Course will benefit the property owners directly by permitting the owner's the use of the course and it's associated facilities.

The District's focused and pinpointed control and maintenance of the Surface Water Management System will avoid the need to undergo intense revitalization efforts of the system in the future for all residential properties and of the Golf Course, however the sole beneficiaries of the added use of the Golf Course are the individual property owners in the District, and not the Golf Course since the Golf Course will be owned and operated by the Homeowner's Association to which all individual property owner's will be members of the Homeowner's Association. As such, the individual properties (excluding the Golf Course) will receive the entire benefit of flood protection, treatment and attenuation of stormwater runoff.

The Special Benefit of Added Enjoyment

The District's construction of the Surface Water Management Services will also provide a special benefit peculiar to each parcel or acre of added enjoyment of the property. The items contributing, as a logical relationship, to the special benefit of added enjoyment of the property are reduced pollution on the property and throughout the District, improved water quality throughout the District, and an aesthetic enhancement of property in general through a better-maintained landscape resulting in a clean and pristine environment. Use of the Golf Course will be significantly enhanced by allowing owner's to enjoy a better game-play experience in playing

on well drained, hence dry, lands as well as the satisfaction of playing on a highly maintained course with an admirable beauty as a direct result of that maintenance. Again however, since the Golf Course is owned by the Homeowner's Association, the benefits that are derived from the enjoyment of the surface water management system, flow as a logical consequence to the individual properties (excluding the Golf Course) within the District. These individual properties will also enjoy the significant decrease in pollutant build up on their lands and common areas and the consequent positive environmental and aesthetic effects on their lands and local community as a direct result of the enhanced Surface Water Management System's construction, operation and maintenance by focused District management.

The Special Benefit of the Probability of Enhanced Value and Increased Marketability

The District's construction of the surface water management system will provide further a special benefit peculiar to each parcel or acre in the probability of increased marketability and enhanced value of the property. Specific benefits of this type include decreased landscaping and maintenance costs, reduced environmental degradation, higher quality property maintenance, reduced water treatment costs (since the system is effectively removing a substantial portion of the pollutants before the run-off water reaches a water treatment facility), and increased prestige. Moreover, the enhanced value received by the property will remain despite any change in future use because the surface water management system benefits the lands of the District irrespective of their current or anticipated purpose. The dollar increase in the value of the property can be determined at a later time by a property appraiser. The Golf Course itself, as a better served entity, will be much more valuable, and consequently as a result of the ownership by the Homeowner's Association the individual home values may be positively affected by the golf course. Additionally, as a result of the construction of the surface water management system, this will provide owner's potentially more playing time should its overall enhancement entice more property owners to visit and use the golf course; again, this in turn could increase the prestige and visibility of the course, further driving up the market value of the individual properties in the District. Finally, these individual properties would specially benefit from value increases in the individual properties, which are directly attributable to providing flood protection, treatment and attenuation of stormwater, a stormwater system that raises the project's finished floor elevation's above FEMA's flood elevation, all from the construction of the District's surface water system, and all at residents' disposal. Finally, the construction of the District's surface water system, will provide less local maintenance and landscaping expenditures, and significantly more attractive individual lots which by their aesthetic characteristics are more sought after and marketable.

The Special Benefit of Decreased Insurance Premiums

Finally, the District's control and management of the surface water management system will provide a special benefit peculiar to each parcel or acre of decreased insurance premiums. The monetary decrease in the insurance premiums could be determined at a later time by an insurance adjuster. The Golf Course as well as residential properties within the District should enjoy significant reductions in insurance costs if the system is proved to decrease pollutants locally in the manner intended as well as provide a means of flood prevention that will reduce the potential for property damage throughout the entire District. Additionally, the mere fact that the system is being constructed to raise the project's finished floor elevations above FEMA's flood elevation, will potentially eliminate the need for or reducing the cost of flood insurance to all individual properties in the District.

(B) Utilities

From the District's focused and pinpointed management, the construction of the District's utility systems, including potable water, sanitary sewer and the irrigation system flows the special benefits peculiar to each parcel or acre in terms of added use, added enjoyment, enhanced value and marketability. All these special benefits would not exist but for the successful operation of the District's functions and duties by the Board of Supervisors. Each parcel or acre within the District requires the Board to construct a utility system for the benefit of and upon each individual property in order to meet the District's single, special purpose in providing sustained high quality infrastructure to the District. These services constitute the source of the special benefit peculiar to the property on which the assessment is based because without these services, no capital infrastructure nor its maintenance and operation could ever accrue to the properties.

(C) Exterior Landscaping

From the District's focused and pinpointed management, the construction of the exterior landscaping elements flows special benefits peculiar to each parcel within the District. The Board will provide exterior landscaping which include buffering along Immokalee Road and other areas of the District. This landscaping was required by Collier County Land Development Code. It is these specific services from which all property will gain and specially benefit from added use, added enjoyment, and enhanced value and marketability.

(D) Off-Site Improvements

From the District's focused and pinpointed management, off-site improvements flows the special benefit peculiar to each parcel or acre within the District. These improvements are primarily transportation related improvements and from these improvements the community will mitigate any transportation related deficiencies to the off-site roadway system that are due to the traffic being generated from the parcels and properties in the District. These off-site improvements would not be required if not for the development of the properties in the District and these parcels will specifically benefit from the better flow of traffic into and out of the District. However, the golf course does not generate any additional traffic, since the golf course is not a public course nor open to membership outside the residential property within the District, as such, the golf course receives no benefit from these off-site improvements. Similarly the discovery center does not generate any additional traffic, since it too is not open to the public and is for use only the property owner's in the District, as such, the discover center receives no benefit from these off-site improvements. As applicable to the other services, that is, all these special benefits would not exist but for the successful operation of the District's functions and duties by the Board of Supervisors. Each parcel or acre within the District requires the Board to construct infrastructure that benefit each individual property in order to meet the District's single, special purpose in providing sustained high quality infrastructure to the District. These services constitute the source of the special benefit peculiar to the property on which the assessment is based since without these services, no development could ever occur.

(E) Environmental Mitigation

From the District's focused and pinpointed management, mitigation improvements flows the special benefit peculiar to each parcel or acre within the District. These improvements include the construction of wetland, and other habitat replacement due to the development of the community. These mitigation improvements would not be required if not for the development of the properties in the District and these parcels will specifically benefit from increased storm protection and flood damage due to major storm events. These wetland and other habitat replacements increase nature's nurseries for various birds, animals and plant life, and ultimately increase the enjoyment by residents in the District to participate in wetland activities, such as canoeing, bird watching, photography, and other outdoor recreation. As applicable to the other services, that is, all these special benefits would not exist but for the successful operation of the District's functions and duties by the Board of Supervisors. Each parcel or acre within the District requires the Board to construct infrastructure that benefit each individual property in order to meet the District's single, special purpose in providing sustained

high quality infrastructure to the District. These services constitute the source of the special benefit peculiar to the property on which the assessment is based since without these services, no development could ever occur.

(F) Professional & Permit Services

From the District's focused and pinpointed management, from these miscellaneous improvements flows the special benefit peculiar to each parcel or acre within the District. These improvements are required and include the necessary soft costs, such as engineering design and inspection, permitting, etc. for all of the other systems, facilities and services. These miscellaneous improvements would not be required if not for the balance of the others systems, facilities and services and as such, development of the properties in the District and these parcels will specifically benefit from all of the other systems, facilities and services. As applicable to the other services, that is, all these special benefits would not exist but for the successful operation of the District's functions and duties by the Board of Supervisors. Each parcel or acre within the District requires the Board to construct infrastructure that benefit each individual property in order to meet the District's single, special purpose in providing sustained high quality infrastructure to the District. These services constitute the source of the special benefit peculiar to the property on which the assessment is based since without these services, no development could ever occur.

5.3 Reasonable and Fair Apportionment: The Proportionate Special Benefit

The special benefits described above must be fairly and reasonably apportioned in relation to the relative magnitude (not the value) of the special benefit received by and peculiar to the various properties being assessed. The magnitude of such benefit is different for each type of property within the District and for each type of assessment on which the special benefit is based. The apportionment here is divided by unit type (as opposed to each individual parcel or acre) because the differences among the parcels and acres in each unit type, while present, are de minimus in this situation. It is illustrative of such benefit which one parcel or acre enjoys in comparison to another parcel or acre and that relationship informs the respective assessments which each parcel or acre must pay; always in proportion to the extent of the total benefit which they receive in relation to all other properties which also enjoy such benefit. All assessments discussed below are either equal to or less than such benefit with which it is associated.

(A) Surface Water Management System Apportionment

The Surface Water Management System provides several special benefits, peculiar to certain properties within the District, as described above in section 6.2(A). Such benefits conferred by this system, as a whole, are to be apportioned to properties based on: (1) common areas that benefit the entire District (2) common areas that benefit residential only, and (3) specific land uses which generate anticipated runoff based on type of property on a per parcel or per acre basis. These three methods combined will constitute the makeup of the Water Management Services special assessment for each individual parcel or acre.

For the first apportionment method, the District's Water Management assessment will consist of an amount representative of all common areas within the District from which all properties within the District benefit. Because all properties within the District benefit from all District common areas, all properties share in the special benefit conferred on these areas. This is also reflective of the fact that the entire Surface Water Management System is one aggregate system and all properties must bear their share of the respective costs in managing not only their own properties but also of the common areas whose proper functioning is paramount to the integrity of the system as whole.

The second apportionment method addresses the special benefits received by the properties within the residential areas that are common to the residential areas, such as roadways that serve residential areas only, the leisure center and residential common areas as a result of the Surface Water Management system. The residential areas contain additional rights-of-way and common areas that affect water flow only within those residential communities. Therefore, only those properties will receive special benefits from the proper drainage and treatment of stormwater run-off in these areas. Consequently, all properties within these communities are apportioned to reflect the magnitude of these proportionate special benefits.

The third apportionment method, which makes up the remainder of the Water Management assessment, addresses the unit type of individual parcels or acres. Property will be assessed, despite its run-off rate (as calculated in the "Cost Allocation Methodology" above), to reflect the relative magnitude of the individual special benefit it receives proportionally from the entire Water Management System. A considerable portion of the residential properties within the District consists of impervious surfaces and therefore generate significant run-off from storm events.

(B) Utilities Apportionment

The utility services provide special benefits peculiar to all properties within the District in the manner described above. These assessments are apportioned relative to the derivative benefits received by particular properties from Board undertakings in the construction of the infrastructure provision. As explained earlier, because certain properties, by their nature, require more utility services and consideration when it comes to the provision of infrastructure, such properties benefit proportionally more than others within the District. While all properties benefit from these services, they are only assessed in accordance with the proportional benefit they receive. Therefore, the magnitude of the proportional special benefit for each property for this particular assessment varies according to the particular characteristics of the parcel or acre, as well as the apportionment that each unit type receives from the other services.

(C) Exterior Landscaping Apportionment

The exterior landscaping services provide special benefits peculiar to all properties within the District in the manner described above. These assessments are apportioned relative to the derivative benefits received by particular properties from Board undertakings in the construction of the infrastructure. As explained earlier, this is because all properties, by their nature, require these buffer landscaping areas outside the District in order to develop the property within the District, such properties therefore benefit proportionally. While all properties benefit from these services, they are only assessed in accordance with the proportional benefit they receive. Therefore, the magnitude of the proportional benefit for each property for this particular assessment does not vary according to the particular characteristics of the parcel or acre.

(D) Off-Site Apportionment

The off-site services which consist primarily of roadway related improvements within County Road 951 right-of-way and which benefit the communities are apportioned according to the use, expressed as ITE trip generation rates, associated with specific types of property in those communities. Single Family homes generally have more inhabitants, more vehicles, and therefore higher frequency of use of roadways in their respective community. Condominiums, club homes and villas, however, utilize the community roadways less and therefore benefit less than their Single Family unit counterparts. As a result, Single Family units can be said to enjoy the special benefits of these community specific improvements to a larger magnitude than all other types of units. Single Family units within each respective community will therefore be assessed significantly, but not substantially, more than Multi-Family and for the reason that they will be using community roadways more often and hence receive significantly more special

benefits from the specific improvements of roadway lighting, signage and maintenance provided by the District.

(E) Environmental Mitigation Apportionment

The mitigation infrastructure services provide special benefits peculiar to all properties within the District in the manner described above. These assessments are apportioned relative to the derivative benefits received by particular properties from Board undertakings in the construction of the infrastructure. As explained earlier, this is because all properties, by their nature, require the replacement of lost wetland and habitat, irrespective of the type of land use, such properties therefore benefit proportionally. While all properties benefit from these services, they are only assessed in accordance with the proportional benefit they receive. Therefore, the magnitude of the proportional benefit for each property for this particular assessment does not vary according to the particular characteristics of the parcel or acre.

(F) Professional & Permitting Apportionment

The professional and permitting services provide special benefits peculiar to all properties within the District in the manner described above. These assessments are apportioned relative to the derivative benefits received by particular properties from Board undertakings in the construction of the infrastructure. As explained earlier, this is because all properties, by their nature, require these design, inspection, permitting and other costs that are required for the entire infrastructure program, irrespective of the type of land use, such properties therefore benefit proportionally. While all properties benefit from these services, they are only assessed in accordance with the proportional benefit they receive.

5.4 Application of the Proportionate Special Benefits to the Allocated Costs

Accordingly, the reasonable and fair apportionment of the special benefits provided by the District which is peculiar to both the acres and the platted parcels results in the proportionate special benefit which is the final step required under Florida law to complete the fixing of the special assessments to be imposed and levied.

The application of the proportionate special benefit is important. The relative magnitude of each special benefit peculiar to each property for Water Management Services is determined by analyzing the respective acreage of each unit in proportion to the total acreage of the entire District. The relative magnitude of added use is directly related to the total acreage of each unit type. The greater acreage a particular unit occupies, the greater the special benefit received from the District's Water Management System and thus, the greater relative magnitude as

compared with the other units. The same analysis was employed for the special benefit of added enjoyment because the Golf Course receives more added enjoyment because its purpose is recreational whereas residential plats are mainly for dwelling. Better water management leads to enhanced course conditions and increases the quality and satisfaction of the land use.

Surface Water Management System										
Parcel Type	Number of Units	Number of ERU's	Cost Allocation	Percent of Cost Allocation				Allocation by use & Enjoyment		Allocation by Unit
				Use (1)	Enjoyment (2)	All (3)	Use (1)	Enjoyment (2)		
52' Lot	64	1	\$ 758,946.56	37.41%	28.05%	9.35%	37.41%	\$ 758,946.56	\$ 11,858.54	
57' Lot	0	1.5	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -	
62' Lot	0	1.84	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -	
76' Lot	23	2.52	\$ 687,320.96	33.87%	25.41%	8.47%	33.87%	\$ 687,320.96	\$ 29,883.52	
90' Lot	18	2.73	\$ 582,728.58	28.72%	21.54%	7.18%	28.72%	\$ 582,728.58	\$ 32,373.81	
Multi-family Golf Course and Amenities	0	0.82	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -	
Total	105	10.41	\$ 2,028,996.10	100.00%	75.00%	25.00%	100.00%	\$ 2,028,996.10		

(1) Relative Magnitude

(2) Relative magnitude of Added Enjoyment

(3) Relative Magnitude of All Services

The cost allocation methodology for Utilities, including potable water, sanitary sewer and irrigation was analyzed based on two distinct component parts. First the potable water and sanitary sewer component, flow rates established by Florida Administrative Code for different use types was used. These flow rates help determine the units that use the infrastructure the most, determining the size of pipes and other ancillary facilities for the different unit types, and consequently the most money to be spent on the construction of these facilities.

Similarly for the irrigation system, the cost allocation methodology is based on the use of the facilities with a notable exception, that is the use is based on the average irrigated area for each lot type. The area of land area to be irrigated helps determine the units that use the infrastructure the most, again, also determining the size of pipes and other ancillary facilities for the different unit types, and consequently the most money to be spent on the construction of these facilities.

A similar analysis can be used to determine the relative magnitude of the special benefits peculiar to the properties between the various land use types. The units that cause the most dollars to be spent on the construction of the facilities are the same units that use the infrastructure the most. The units that use the infrastructure the most are also the same units that benefit the most from the infrastructure. Thus, a direct correlation exists between the units causing the most money to be spent on the cost of construction receiving the most benefits from the capital improvement program.

Potable Water and Sanitary Sewer									
Parcel Type	Number of Units	Number of ERU's	Cost Allocation	Percent of Cost			Allocation by use & Enjoyment		
				Allocation	Use (1)	Enjoyment (2)	All (3)	Enjoyment	Allocation by Unit
52' Lot	64	1.00	\$ 163,040.64	44.44%	33.33%	11.11%	44.44%	\$ 163,040.64	\$ 2,547.51
57' Lot	0	1.43	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
62' Lot	0	1.32	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
76' Lot	23	1.78	\$ 104,200.04	28.40%	21.30%	7.10%	28.40%	\$ 104,200.04	\$ 4,530.44
90' Lot	18	2.17	\$ 99,642.07	27.16%	20.37%	6.79%	27.16%	\$ 99,642.07	\$ 5,535.67
Multi-family Golf Course and Amenities	0	0.81	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
	N/A	16.22	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
Total	105	8.518919	\$ 366,882.75	100.00%	75.00%	25.00%	100.00%	\$ 366,882.75	

- (1) Relative Magnitude
- (2) Relative magnitude of Added Enjoyment
- (3) Relative Magnitude of All Services

Irrigation Water System									
Parcel Type	Number of Units	Number of ERU's	Cost Allocation	Percent of Cost			Allocation by use & Enjoyment		
				Allocation	Use (1)	Enjoyment (2)	All (3)	Enjoyment	Allocation by Unit
52' Lot	64	1.00	\$ 125,675.52	65.42%	49.06%	16.35%	65.42%	\$ 125,675.52	\$ 1,963.68
57' Lot	0	1.03	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
62' Lot	0	0.65	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
76' Lot	23	0.68	\$ 30,783.07	16.02%	12.02%	4.01%	16.02%	\$ 30,783.07	\$ 1,338.39
90' Lot	18	1.01	\$ 35,657.58	18.56%	13.92%	4.64%	18.56%	\$ 35,657.58	\$ 1,980.98
Multi-family Golf Course and Amenities	0	0.45	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
	N/A	79.12	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
Total	105	4.825152	\$ 192,116.17	100.00%	75.00%	25.00%	100.00%	\$ 192,116.17	

- (1) Relative Magnitude
- (2) Relative magnitude of Added Enjoyment
- (3) Relative Magnitude of All Services

The cost allocation methodology for roadway related off-site improvements used ITE (International Traffic Engineers) TRIP rates to determine the allocation of costs for this part of the capital improvement program. The ITE TRIP rates help determine the units that use the infrastructure the most, generating the size of the roadway facilities and consequently cause the most money to be spent in capital on these facilities. A similar analysis can be used to determine the relative magnitude of the special benefits peculiar to the properties in the District. The units that cause the most cost to be spent, and use the infrastructure the most benefit the most from the roadway capital improvement program. Thus, a direct correlation exists between the units causing the most capital to be spent on the roadways and the units receiving the most benefits from the implementation of the capital improvement program.

Off-Site Improvements									
Parcel Type	Number of Units	Number of ERU's	Cost Allocation	Percent of Cost			Allocation by use & Enjoyment		Allocation by Unit
				Allocation	Use (1)	Enjoyment (2)	All (3)	Enjoyment	
52' Lot	64	1	\$ 76,153.60	60.95%	45.71%	15.24%	60.95%	\$ 76,153.60	\$ 1,189.90
57' Lot	0	1	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
62' Lot	0	1	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
76' Lot	23	1	\$ 27,367.70	21.90%	16.43%	5.48%	21.90%	\$ 27,367.70	\$ 1,189.90
90' Lot	18	1	\$ 21,418.20	17.14%	12.86%	4.29%	17.14%	\$ 21,418.20	\$ 1,189.90
Multi-family	0	0.7	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
Golf Course and Amenities	N/A	0	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
Total	105	5.7	\$ 124,939.50	100.00%	75.00%	25.00%	100.00%	\$ 124,939.50	

- (1) Relative Magnitude
- (2) Relative magnitude of Added Enjoyment
- (3) Relative Magnitude of All Services

The cost allocation methodology for project landscaping – off-site, environmental wetland mitigation along with professional & permit fees are all project costs that are due to the development of the District as a whole, in that if it were not for the entire development, specific land uses benefit equally from the entire development program. All properties within the District receive increased enjoyment from the off-site landscaping, environmental wetland mitigation and increased use of all services from the typical soft costs associated with development projects of this size and magnitude. As these miscellaneous services are not attributable to any specific land uses the apportionment of these services is reflective of the special benefits explained earlier in this report.

Exterior Landscaping, Environmental Mitigation, Professional & Permitting Fees									
Parcel Type	Number of Units	Number of ERU's	Cost Allocation	Percent of Cost			Allocation by use & Enjoyment		Allocation by Unit
				Allocation	Use (1)	Enjoyment (2)	All (3)	Enjoyment	
52' Lot	64	1.00	\$ 361,833.60	48.85%	36.64%	12.21%	48.85%	\$ 361,833.60	\$ 5,653.65
57' Lot	0	1.24	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
62' Lot	0	1.19	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
76' Lot	23	1.51	\$ 196,850.03	26.58%	19.93%	6.64%	26.58%	\$ 196,850.03	\$ 8,558.70
90' Lot	18	1.79	\$ 181,956.55	24.57%	18.43%	6.14%	24.57%	\$ 181,956.55	\$ 10,108.70
Multi-family	0	0.62	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
Golf Course and Amenities	N/A	-	\$ -	0.00%	0.00%	0.00%	0.00%	\$ -	\$ -
Total	105	7.353427	\$ 740,640.18	100.00%	75.00%	25.00%	100.00%	\$ 740,640.18	

- (1) Relative Magnitude
- (2) Relative magnitude of Added Enjoyment
- (3) Relative Magnitude of All Services

The table on the following page shows the total apportioned costs after apportionment of the special benefit application.

Total Apportioned Costs after apportionment of Special Benefit Application						
Parcel Type	Surface Water Management	Potable Water and Sanitary Sewer	Irrigation Water	Landscaping, Mitigation, Prof/Permitting Fees	Off-Site Improvements	Total
52' Lot	\$ 758,946.56	\$ 163,040.64	\$ 125,675.52	\$ 361,833.60	\$ 76,153.60	\$ 1,485,649.92
57' Lot	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
62' Lot	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
76' Lot	\$ 687,320.96	\$ 104,200.04	\$ 30,783.07	\$ 196,850.03	\$ 27,367.70	\$ 1,046,521.80
90' Lot	\$ 582,728.58	\$ 99,642.07	\$ 35,657.58	\$ 181,956.55	\$ 21,418.20	\$ 921,402.98
Multi-family	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Golf Course and Amenities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 2,028,996.10	\$ 366,882.75	\$ 192,116.17	\$ 740,640.18	\$ 124,939.50	\$ 3,453,574.71

6.0 Overview of the Inventory Adjustment Determination

The assessment methodology is based on the development plan that is currently proposed by the Developer. As with all projects of this size and magnitude, as development occurs their may be changes to various parts of the proposed project mix, the number of units, the types of units, etc. The inventory adjustment determination mechanism is intended to insure that all of the debt is levied only on developable properties, such that by the end of the development period their will be no remaining debt on any undevelopable property.

First, as property is taken from an undeveloped (raw land) state and readied for development, the property is platted or alternatively specific site plans are developed and processed through the County Property Appraiser, who assigns distinct parcel identification numbers for land that is ready to be built upon. Or in the case of property where a condominium is being developed the land is platted as a large tract of land, and ultimately as the developer files the declaration of condominium, the County Property Appraiser assign distinct parcel identifications to each condominium unit that will be constructed on the property.

When either of these events occur, the District must allocate the appropriate portion of it's debt to the newly established and distinct parcel identification numbers. The inventory adjustment determination allows for the District to take the debt on these large tracks of land, and assign the correct allocation of debt to these newly created units. This mechanism is done to insure that the principal assessment for each type of property constructed never exceed the initially allocated assessment contained in this report.

This is done periodically as determined by the District Manager or their authorized representative, and is intended to insure that the remaining number of units to be constructed can be constructed on the remaining developable land. If at any time, the remaining units are

insufficient to absorb the remaining development plan, the developer will be required to make a density reduction payment, such that the debt remaining after the density reduction payment does not exceed principal assessment for each type of property is exceeded in the initially allocated assessment contained in this report.

7.0 Allocation of Proposed Series 2015 Capital Improvement Revenue Bonds to Properties in the District.

This section of the report takes the cost allocations identified in this report and spreads that cost over the proposed development plan, taking into consideration the costs of issuing the Series 2015 Bonds, including Capitalized Interest, Reserve Account Requirements and Cost of Issuance.

The following chart reflects the preliminary sizing for the Series 2015 Bonds.

● Date of Issue:	April 9, 2015		
● Bond Component:	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Par Amount</u>
	Term 1	11/01/2025	4.250%
			\$ 765,000
	Tern 2	11/01/2035	5.000%
			\$1,200,000
	Term 3	11/01/2045	5.375%
			\$1,985,000
● Reserve Fund:	\$264,493.76		
● Capitalized Interest: (Through 11/01/2015))	\$111,776.84		

**Flow Way Community Development District
Source & Use of Funds
Series 2015 - Capital Improvement Revenue Bonds**

Final Sizing	
Par Debt Issued	\$ 3,950,000.00
Project Costs	\$ 3,280,000.00
Capitalized Interest	\$ 111,776.84
Debt Service Reserve	\$264,493.76
Cost of Issuance	\$ 291,750.00
Rounding Proceeds	\$ 1,979.40
Total:	\$ 3,950,000.00

From the determination of the Par Debt needed to finance the project, we can compute the outstanding per unit debt, and estimated annual debt service payments on the units

Flow Way Community Development District
Assessment Levels
Series 2015 Capital Improvement Revenue Bonds

Parcel Type	Number of Units	Total Apportioned Costs	Percent of Apportioned Costs	Developer Asset Contribution	Deposit to Construction Account	Percent of Apportioned Costs after Developer Asset Contribution	Series 2015 - Total Par Debt By Product Type	Series 2015 Par Debt Per Unit	ESTIMATED Total Annual Payment Per Unit	Total Debt Service
52' Lot	64	\$ 1,485,649.92	43.02%		\$ 1,485,649.92	45.29%	\$ 1,789,121.09	\$ 27,955.02	\$ 1,996.90	\$ 119,440.82
57' Lot	0	\$ -	0.00%		\$ -	0.00%	\$ -	\$ -	\$ -	\$ -
62' Lot	0	\$ -	0.00%		\$ -	0.00%	\$ -	\$ -	\$ -	\$ -
76' Lot	23	\$ 1,046,521.80	30.30%		\$ 1,046,521.80	31.91%	\$ 1,260,293.03	\$ 54,795.35	\$ 3,914.18	\$ 84,136.52
90' Lot	18	\$ 921,402.98	26.68%	\$ 173,574.71	\$ 747,828.27	22.80%	\$ 900,585.88	\$ 50,032.55	\$ 3,573.96	\$ 60,122.66
Multi-family	0	\$ -	0.00%		\$ -	0.00%	\$ -	\$ -	\$ -	\$ -
Total	105	\$ 3,453,574.71	100.00%	\$ 173,574.71	\$ 3,280,000.00	100.00%	\$ 3,950,000.00			\$ 263,700.00
									Max Annual Debt Service	\$263,700.00
									Rounding	\$ -

8.0 Final Assessment Roll

Exhibit 1 provides the assessment roll for the Series 2015 Capital Improvement Program.

Flow Way Community Development District
EXHIBIT 1 - Assessment Roll - Series 2015 Capital Improvement Program

Parcel D								
Folio #	Property Owner	52'	57'	62'	76'	90'	MF	Assessment
31346500767	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251				1			\$ 54,795.35
31346500783	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251				1			\$ 54,795.35
31346500806	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251				1			\$ 54,795.35
31346500822	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251				1			\$ 54,795.35
31346500848	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251				1			\$ 54,795.35
31346500864	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251				1			\$ 54,795.35
31346500880	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251				1			\$ 54,795.35
31346500903	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251				1			\$ 54,795.35
31346500929	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251				1			\$ 54,795.35
31346500945	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251				1			\$ 54,795.35
31346500961	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251				1			\$ 54,795.35
31346500987	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251				1			\$ 54,795.35
31346501465	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251				1			\$ 54,795.35
31346501481	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251				1			\$ 54,795.35
31346501504	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251				1			\$ 54,795.35
31346501520	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251				1			\$ 54,795.35
31346501546	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251				1			\$ 54,795.35
31346501562	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251				1			\$ 54,795.35
31346501588	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251				1			\$ 54,795.35
31346501601	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251				1			\$ 54,795.35
31346501627	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251				1			\$ 54,795.35
31346501643	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251				1			\$ 54,795.35
31346501669	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251				1			\$ 54,795.35
Total Units		0	0	0	23	0	0	

Flow Way Community Development District
EXHIBIT 1 - Assessment Roll - Series 2015 Capital Improvement Program

Parcel E								
Folio #	Property Owner	52'	57'	62'	76'	90' Lot	MF (acres)	Assessment
31346501685, 31346501708	SD Esplanade, LLC 2647 Professional Circle, Suite 1201, Naples, FL. 34109, Attention: Brian K. Stock cc: Coleman, Yovonovich & Koester 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103 Attention: Craig Grider, Registered Agent					1		\$ 50,032.55
31346501708, 31346501724	SD Esplanade, LLC 2647 Professional Circle, Suite 1201, Naples, FL. 34109, Attention: Brian K. Stock cc: Coleman, Yovonovich & Koester 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103 Attention: Craig Grider, Registered Agent					1		\$ 50,032.55
31346501724, 31346501740, 31346501766	SD Esplanade, LLC 2647 Professional Circle, Suite 1201, Naples, FL. 34109, Attention: Brian K. Stock cc: Coleman, Yovonovich & Koester 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103 Attention: Craig Grider, Registered Agent					1		\$ 50,032.55
31346501766, 31346501782	SD Esplanade, LLC 2647 Professional Circle, Suite 1201, Naples, FL. 34109, Attention: Brian K. Stock cc: Coleman, Yovonovich & Koester 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103 Attention: Craig Grider, Registered Agent					1		\$ 50,032.55
31346501782, 31346501805, 31346501821	SD Esplanade, LLC 2647 Professional Circle, Suite 1201, Naples, FL. 34109, Attention: Brian K. Stock cc: Coleman, Yovonovich & Koester 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103 Attention: Craig Grider, Registered Agent					1		\$ 50,032.55
31346501821, 31346501847	SD Esplanade, LLC 2647 Professional Circle, Suite 1201, Naples, FL. 34109, Attention: Brian K. Stock cc: Coleman, Yovonovich & Koester 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103 Attention: Craig Grider, Registered Agent					1		\$ 50,032.55
31346501847, 31346501863	SD Esplanade, LLC 2647 Professional Circle, Suite 1201, Naples, FL. 34109, Attention: Brian K. Stock cc: Coleman, Yovonovich & Koester 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103 Attention: Craig Grider, Registered Agent					1		\$ 50,032.55
31346501863, 31346501889, 31346501902	SD Esplanade, LLC 2647 Professional Circle, Suite 1201, Naples, FL. 34109, Attention: Brian K. Stock cc: Coleman, Yovonovich & Koester 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103 Attention: Craig Grider, Registered Agent					1		\$ 50,032.55
31346501902, 31346501928	SD Esplanade, LLC 2647 Professional Circle, Suite 1201, Naples, FL. 34109, Attention: Brian K. Stock cc: Coleman, Yovonovich & Koester 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103 Attention: Craig Grider, Registered Agent					1		\$ 50,032.55
31346501928, 31346501944, 31346501960	SD Esplanade, LLC 2647 Professional Circle, Suite 1201, Naples, FL. 34109, Attention: Brian K. Stock cc: Coleman, Yovonovich & Koester 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103 Attention: Craig Grider, Registered Agent					1		\$ 50,032.55

Flow Way Community Development District
EXHIBIT 1 - Assessment Roll - Series 2015 Capital Improvement Program

31346501960, 31346501986	SD Esplanade, LLC 2647 Professional Circle, Suite 1201, Naples, FL. 34109, Attention: Brian K. Stock cc: Coleman, Yovonovich & Koester 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103 Attention: Craig Grider, Registered Agent						1		\$ 50,032.55
31346501986, 31346502008	SD Esplanade, LLC 2647 Professional Circle, Suite 1201, Naples, FL. 34109, Attention: Brian K. Stock cc: Coleman, Yovonovich & Koester 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103 Attention: Craig Grider, Registered Agent						1		\$ 50,032.55
31346502008, 31346502024, 31346502040	SD Esplanade, LLC 2647 Professional Circle, Suite 1201, Naples, FL. 34109, Attention: Brian K. Stock cc: Coleman, Yovonovich & Koester 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103 Attention: Craig Grider, Registered Agent						1		\$ 50,032.55
31346502040, 31346502066	SD Esplanade, LLC 2647 Professional Circle, Suite 1201, Naples, FL. 34109, Attention: Brian K. Stock cc: Coleman, Yovonovich & Koester 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103 Attention: Craig Grider, Registered Agent						1		\$ 50,032.55
31346502066, 31346502082	SD Esplanade, LLC 2647 Professional Circle, Suite 1201, Naples, FL. 34109, Attention: Brian K. Stock cc: Coleman, Yovonovich & Koester 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103 Attention: Craig Grider, Registered Agent						1		\$ 50,032.55
31346502082, 31346502105, 31346502121	SD Esplanade, LLC 2647 Professional Circle, Suite 1201, Naples, FL. 34109, Attention: Brian K. Stock cc: Coleman, Yovonovich & Koester 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103 Attention: Craig Grider, Registered Agent						1		\$ 50,032.55
31346502121, 31346502147	SD Esplanade, LLC 2647 Professional Circle, Suite 1201, Naples, FL. 34109, Attention: Brian K. Stock cc: Coleman, Yovonovich & Koester 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103 Attention: Craig Grider, Registered Agent						1		\$ 50,032.55
31346502147, 31346502163, 31346502189	SD Esplanade, LLC 2647 Professional Circle, Suite 1201, Naples, FL. 34109, Attention: Brian K. Stock cc: Coleman, Yovonovich & Koester 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103 Attention: Craig Grider, Registered Agent						1		\$ 50,032.55
Total Acreage		0	0	0	0	0	18	0	

Parcel F								
Folio #		52'	57'	62'	76'	MF	MF	Assessment
31347500067	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	32						\$ 894,560.55
Total Units		32	0	0	0	0	0	

Flow Way Community Development District
EXHIBIT 1 - Assessment Roll - Series 2015 Capital Improvement Program

Folio #		Parcel H					Assessment
		52'	57'	62'	76'	MF	
31346503829	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1					\$ 27,955.02
31346503845	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1					\$ 27,955.02
31346503861	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1					\$ 27,955.02
31346503887	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1					\$ 27,955.02
31346503900	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1					\$ 27,955.02
31346504026	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1					\$ 27,955.02
31346503942	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1					\$ 27,955.02
31346503968	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1					\$ 27,955.02
31346503984	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1					\$ 27,955.02
31346504006	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1					\$ 27,955.02
31346504022	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1					\$ 27,955.02
31346504048	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1					\$ 27,955.02
31346504064	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1					\$ 27,955.02
31346504080	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1					\$ 27,955.02
31346504103	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1					\$ 27,955.02
31346504129	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1					\$ 27,955.02
31346505380	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1					\$ 27,955.02
31346505403	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1					\$ 27,955.02
31346505429	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1					\$ 27,955.02
31346505445	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1					\$ 27,955.02
31346505461	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1					\$ 27,955.02
31346507427	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1					\$ 27,955.02
31346507443	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1					\$ 27,955.02

Flow Way Community Development District
EXHIBIT 1 - Assessment Roll - Series 2015 Capital Improvement Program

31346507469	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1							\$ 27,955.02
31346507485	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1							\$ 27,955.02
31346507508	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1							\$ 27,955.02
31346507524	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1							\$ 27,955.02
31346507540	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1							\$ 27,955.02
31346507566	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1							\$ 27,955.02
31346507582	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1							\$ 27,955.02
31346507605	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1							\$ 27,955.02
31346507621	Taylor Morrison of Esplanade Naples LLC 4900 N Scottsdale Road Suite 200, Scottsdale, AZ 85251	1							\$ 27,955.02
Total Units		32	0	0	0	0	0	0	

Total Assessment: \$ 3,950,000.00

RESOLUTION 2015-11

A RESOLUTION OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2016 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICT AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the District Manager has heretofore prepared and submitted to the Board of Supervisors of Flow Way Community Development District (the "Board"), a proposed Budget for Fiscal Year 2016; and

WHEREAS, the Board has considered the proposed Budget and desires to set the required public hearing thereon.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT:

SECTION 1. That the foregoing whereas clauses are true and correct and incorporated herein as if written into this Section.

SECTION 2. The proposed Budget submitted by the District Manager for Fiscal Year 2016 and attached hereto as **Exhibit A** is hereby approved as the basis for conducting a public hearing to adopt said budget.

SECTION 3. A public hearing on said approved budget is hereby declared and set for the following date, hour and location:

DATE:	Tuesday, September 8, 2014
HOUR:	3:00 P.M.
LOCATION:	Offices of Coleman, Yovanovich & Koester 4001 Tamiami Trail North, Suite 300 Naples, Florida 34103

SECTION 4. The District Manager is hereby directed to submit a copy of the proposed budget to Collier County at least 60 days prior to the hearing set above.

SECTION 5. Notice of this public hearing on the budget shall be published in a newspaper of general circulation in the area of the district once a week for two (2) consecutive weeks, except that the first publication shall not be fewer than 15 days prior to the date of the hearing. The notice shall further contain a designation of the day, time, and place of the public hearing. At the time and place designated in the notice, the Board shall hear all objections to the budget as proposed and may make such changes as the board deems necessary.

SECTION 6. If any one of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contract to the policy of express law, but not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way effect the validity of the other provisions hereof.

SECTION 7. That all Sections or parts of Sections of any Resolutions, Agreements or actions of the Board of Supervisor's in conflict are hereby repealed to the extent of such conflict.

RESOLUTION 2015-11

A RESOLUTION OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT APPROVING A PROPOSED BUDGET FOR FISCAL YEAR 2016 AND SETTING A PUBLIC HEARING THEREON PURSUANT TO FLORIDA LAW; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICT AND PROVIDING FOR AN EFFECTIVE DATE.

SECTION 8. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED this 12th day of September, 2015

ATTEST:

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

James P. Ward, Secretary

John Asher, Chairman

BOARD OF SUPERVISOR'S

EXHIBIT A

**FLOW WAY
COMMUNITY DEVELOPMENT DISTRICT**

PROPOSED BUDGET

FISCAL YEAR 2016

October 1, 2015 through September 30, 2016

James P. Ward
District Manager
2041 NE 6TH Terrace
Wilton Manors, FL 33305

Phone: 954-658-4900
E-mail: ward9490@comcast.net



Prepared by:
JPWard and Associates, LLC
TOTAL Commitment to Excellence

TABLE OF CONTENTS

GENERAL FUND

Budget	1— 2
Budget—Fiscal Year 2016	
Assessment Rate Comparison	
Budget Comparison	
Description of Budgeted items	3—4

DEBT SERVICE FUND

Series 2013 Bonds	5-7
Budget—Fiscal Year 2016	
Budget Comparison	
Bond Amortization Schedule	

CAPITAL PROJECT FUND

Series 2013 Bonds	
Budget—Fiscal Year 2016	8

DEBT SERVICE FUND

Series 2015 Bonds	9-11
Budget—FY 2016	
Budget Comparison	
Bond Amortization Schedule	

CAPITAL PROJECT FUND

Series 2015 Bonds	12
Budget—FY 2016	

ASSESSMENT COMPARISON	13
------------------------------	-----------

Flow Way Community Development District

General Fund - Budget

Fiscal Year 2016

Description	Anticipated			
	Fiscal Year 2015 Budget	Actual at 03/31/2015	Year End 09/30/2015	Fiscal Year 2016 Budget
Revenues and Other Sources				
Carryforward	\$ -	\$ -	\$ -	\$ -
Interest Income - General Account	\$ -	\$ -	\$ -	\$ -
Assessment Revenue				
Assessments - On-Roll	\$ 100,070	\$ 92,653	\$ 92,653	\$ 130,887
Total Revenue & Other Sources	\$ 100,070	\$ 92,653	\$ 92,653	\$ 130,887
Appropriations				
Legislative				
Board of Supervisor's Fees	\$ -		\$ -	\$ -
Board of Supervisor's - FICA	\$ -		\$ -	\$ -
Executive				
Professional - Management	\$ 40,000	\$ 20,000	\$ 40,000	\$ 40,000
Financial and Administrative				
Audit Services	\$ 6,500	\$ -	\$ 4,000	\$ 4,100
Accounting Services	\$ 8,000	\$ 4,000	\$ 8,000	\$ 16,000
Assessment Roll Preparation	\$ -	\$ -	\$ -	\$ 16,000
Arbitrage Rebate Fees	\$ 1,000	\$ 500	\$ 500	\$ 1,000
Other Contractual Services				
Recording and Transcription	\$ -	\$ -	\$ -	\$ -
Legal Advertising	\$ 1,000	\$ 5,457	\$ 7,000	\$ 2,000
Trustee Services	\$ 5,500	\$ 2,625	\$ 6,909	\$ 8,600
Dissemination Agent Services	\$ 5,000	\$ -	\$ -	\$ 10,000
Property Appraiser Fees	\$ -	\$ -	\$ -	\$ -
Bank Service Fees	\$ 240	\$ 148	\$ 300	\$ 300
Travel and Per Diem	\$ -			\$ -
Communications and Freight Services				
Telephone	\$ -	\$ -	\$ -	\$ -
Postage, Freight & Messenger	\$ 500	\$ 254	\$ 400	\$ 500
Rentals and Leases				
Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -
Computer Services (Web Site)	\$ 2,400	\$ -	\$ 2,400	\$ 2,400
Insurance	\$ 6,000	\$ 5,923	\$ 5,923	\$ 6,000
Subscriptions and Memberships	\$ 175	\$ 175	\$ 175	\$ 175
Printing and Binding	\$ 500	\$ 598	\$ 1,000	\$ 500
Office Supplies	\$ 250	\$ -	\$ -	\$ 250
Legal Services				
General Counsel	\$ 10,000	\$ 945	\$ 2,500	\$ 7,900

Flow Way Community Development District

General Fund - Budget

Fiscal Year 2016

Description	Fiscal Year	Actual at	Anticipated	Fiscal Year
	2015 Budget	03/31/2015	Year End 09/30/2015	2016 Budget
Other General Government Services				
Engineering Services	\$ 1,000	\$ -	\$ 1,000	\$ 1,000
Contingencies	\$ 5,000	\$ -	\$ -	\$ 5,000
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Other Fees and Charges				
Discounts, Tax Collector Fee and Property Appraiser Fee	\$ 7,005	\$ -	\$ -	\$ 9,162
Total Appropriations	\$ 100,070	\$ 40,625	\$ 80,107	\$ 130,887
Net Increase/(Decrease) in Fund Balance			\$ 12,547	\$ 12,547
Fund Balance - Beginning (Unaudited)			\$ -	\$ -
Fund Balance - Ending (Projected)			\$ 12,547	\$ 12,547
Assessment Rate:	\$ 310.78			\$ 310.90

Flow Way Community Development District

General Fund - Budget

Fiscal Year 2016

Revenues and Other Sources

Carryforward	\$	-
Interest Income - General Account	\$	-

Appropriations

Legislative

Board of Supervisor's Fees	\$	-
<p>The Board's fees are statutorily set at \$200 for each meeting of the Board of Supervisor's not to exceed \$4,800 for each Fiscal Year. The Budgeted amount reflects that the anticipated meetings for the District. The current Board has waived the statutory authorized fees.</p>		

Executive

Professional - Management	\$	40,000
<p>The District retains the services of a professional management company - JPWard and Associates, LLC - which specializes in Community Development Districts. The firm brings a wealth of knowledge and expertise to Flow Way CDD.</p>		

Financial and Administrative

Audit Services	\$	4,100
<p>Statutorily required for the District to undertake an independent examination of its books, records and accounting procedures, if it's Revenues or Expenditures reach a certain threshold.</p>		
Accounting Services	\$	16,000
<p>For the Maintenance of the District's books and records on a daily basis.</p>		
Assessment Roll Preparation	\$	16,000
<p>For the preparation by the Financial Advisor of the Methodology for the General Fund and the Assessment Rolls including transmittal to the Collier County Property Appraiser.</p>		
Arbitrage Rebate Fees	\$	1,000
<p>For required Federal Compliance - this fee is paid for an in-depth analysis of the District's earnings on all of the funds in trust for the benefit of the Bondholder's to insure that the earnings rate does not exceed the interest rate on the Bond's.</p>		

Other Contractual Services

Recording and Transcription	\$	-
Legal Advertising	\$	2,000
Trustee Services	\$	8,600
<p>With the issuance of the District's Bonds, the District is required to maintain the accounts established for the Bond Issue with a bank that holds trust powers in the State of Florida. The primary purpose of the trustee is to safeguard the assets of the Bondholder's, to insure the timely payment of the principal and interest due on the Bonds, and to insure the investment of the funds in the trust are made pursuant to the requirements of the trust.</p>		
Dissemination Agent Services	\$	10,000
<p>With the issuance of the District's Bonds, the District is required to report on a periodic basis the same information that is contained in the Official Statement that was issued for the Bonds. These requirements are pursuant to requirements of the Securities and Exchange Commission and sent to national repositories.</p>		
Property Appraiser Fees	\$	-
Bank Service Fees	\$	300

Flow Way Community Development District

General Fund - Budget

Fiscal Year 2016

Travel and Per Diem	\$	-
Communications and Freight Services		
Telephone	\$	-
Postage, Freight & Messenger	\$	500
Rentals and Leases		
Miscellaneous Equipment	\$	-
Computer Services (Web Site Maintenance)	\$	2,400
Insurance	\$	6,000
Subscriptions and Memberships	\$	175
Printing and Binding	\$	500
Office Supplies	\$	250
Legal Services		
General Counsel	\$	7,900
The District's general council provides on-going legal representation relating to issues such as public finance, public bidding, rulemaking, open meetings, public records, real property dedications, conveyances and contracts. In this capacity, they provide services as "local government lawyers".		
Other General Government Services		
Engineering Services	\$	1,000
The District's engineering firm provides a broad array of engineering, consulting and construction services, which assists the District in crafting solutions with sustainability for the long term interests of the Community while recognizing the needs of government, the environment and maintenance of the District's facilities.		
Contingencies	\$	5,000
Other Fees and Charges		
Discounts and Tax Collector Fees	\$	9,162
4% Discount permitted by Law for early payment and 3% Tax Collector Fee and Property Appraiser Fee		
Total Appropriations:		\$ 130,887

Flow Way Community Development District

Debt Service Fund - Series 2013 Bonds - Budget

Fiscal Year 2016

Description	Fiscal Year 2015 Budget	Actual at 03/31/2015	Anticipated Year End 09/30/2015	Fiscal Year 2016 Budget
Revenues and Other Sources				
Carryforward	\$ 255,071	\$ -	\$ -	\$ (312,513)
Interest Income				
Revenue Account	\$ -	\$ -	\$ -	\$ -
Reserve Account	\$ 25	\$ 23	\$ 40	\$ 40
Interest Account	\$ 10	\$ 4	\$ 8	\$ 8
Special Assessment Revenue				
Special Assessment - On-Roll	\$ 225,019	\$ 224,002	\$ 225,019	\$ 572,610
Special Assessment - Off-Roll	\$ -	\$ -	\$ -	\$ 312,513
Special Assessment - Prepayment	\$ -	\$ -	\$ -	\$ -
Debt Proceeds				
Series 2013 Issuance Proceeds	\$ -	\$ -	\$ -	\$ -
Total Revenue & Other Sources	\$ 480,125	\$ 224,029	\$ 225,067	\$ 572,658

Expenditures and Other Uses

Debt Service

Principal Debt Service - Mandatory

Series A Bonds \$ - \$ - \$ - \$ 85,000

Principal Debt Service - Early Redemptions

Series A Bonds \$ - \$ - \$ - \$ -

Interest Expense

Series A Bonds \$ 450,125 \$ 225,063 \$ 450,125 \$ 447,575

Other Fees and Charges

Discounts for Early Payment \$ - \$ - \$ - \$ 40,083

Total Expenditures and Other Uses \$ **450,125** \$ **225,063** \$ **450,125** \$ **572,658**

Net Increase/(Decrease) in Fund Balance

\$ (1,034) \$ (225,058) \$ -

Fund Balance - Beginning

\$ 764,124 \$ 764,124 \$ 764,124 \$ 539,066

Fund Balance - Ending

\$ **764,124** \$ **763,090** \$ **539,066** \$ **539,066**

Restricted Fund Balance:

Reserve Account Requirement \$ 539,012

Restricted for November 1, 2016 Principal & Interest Payment \$ 312,513

Total - Restricted Fund Balance:

\$ **851,525**

Assessment Comparison

Description	Number of Units	Fiscal Year	
		2015	Fiscal Year 2016
SF - 52'	69	\$ -	\$ 1,220.76
SF - 57' (All Replated to larger lots)			
SF - 62'	44		\$ 2,181.55
SF - 62' - Replat 57'	38	\$ -	\$ 1,744.17
SF - 76'	62	\$ -	\$ 3,259.90
SF - 90' - Replat 62'	7		\$ 3,116.47
Multi-Family	96	\$ -	\$ 1,064.39
Total:	316	N/A	N/A

Flow Way Community Development District

Debt Service Fund - Series 2013 Bonds - Budget

Description	Principal	Coupon Rate	Interest	Annual Debt Service
Principal Balance - October 1, 2014	\$ 7,050,000	6.00%		
11/1/2014			\$ 225,062.50	
5/1/2015			\$ 225,062.50	\$ 450,125
11/1/2015	\$ 85,000	6.00%	\$ 225,062.50	
5/1/2016			\$ 222,512.50	\$ 532,575
11/1/2016	\$ 90,000	6.00%	\$ 222,512.50	
5/1/2017			\$ 219,812.50	\$ 532,325
11/1/2017	\$ 95,000	6.00%	\$ 219,812.50	
5/1/2018			\$ 216,962.50	\$ 531,775
11/1/2018	\$ 105,000	6.00%	\$ 216,962.50	
5/1/2019			\$ 213,812.50	\$ 535,775
11/1/2019	\$ 110,000	6.00%	\$ 213,812.50	
5/1/2020			\$ 210,512.50	\$ 534,325
11/1/2020	\$ 115,000	6.00%	\$ 210,512.50	
5/1/2021			\$ 207,062.50	\$ 532,575
11/1/2021	\$ 120,000	6.00%	\$ 207,062.50	
5/1/2022			\$ 203,462.50	\$ 530,525
11/1/2022	\$ 130,000	6.00%	\$ 203,462.50	
5/1/2023			\$ 199,562.50	\$ 533,025
11/1/2023	\$ 135,000	6.00%	\$ 199,562.50	
5/1/2024			\$ 195,512.50	\$ 530,075
11/1/2024	\$ 145,000	6.00%	\$ 195,512.50	
5/1/2025			\$ 191,162.50	\$ 531,675
11/1/2025	\$ 155,000	6.00%	\$ 191,162.50	
5/1/2026			\$ 186,512.50	\$ 532,675
11/1/2026	\$ 165,000	6.00%	\$ 186,512.50	
5/1/2027			\$ 181,562.50	\$ 533,075
11/1/2027	\$ 175,000	6.00%	\$ 181,562.50	
5/1/2028			\$ 176,312.50	\$ 532,875
11/1/2028	\$ 185,000	6.50%	\$ 176,312.50	
5/1/2029			\$ 170,300.00	\$ 531,613
11/1/2029	\$ 195,000	6.50%	\$ 170,300.00	
5/1/2030			\$ 163,962.50	\$ 529,263
11/1/2030	\$ 210,000	6.50%	\$ 163,962.50	
5/1/2031			\$ 157,137.50	\$ 531,100
11/1/2031	\$ 220,000	6.50%	\$ 157,137.50	
5/1/2032			\$ 149,987.50	\$ 527,125
11/1/2032	\$ 235,000	6.50%	\$ 149,987.50	
5/1/2033			\$ 142,350.00	\$ 527,338
11/1/2033	\$ 250,000	6.50%	\$ 142,350.00	
5/1/2034			\$ 134,225.00	\$ 526,575
11/1/2034	\$ 270,000	6.50%	\$ 134,225.00	
5/1/2035			\$ 125,450.00	\$ 529,675
11/1/2035	\$ 285,000	6.50%	\$ 125,450.00	
5/1/2036			\$ 116,187.50	\$ 526,638
11/1/2036	\$ 305,000	6.50%	\$ 116,187.50	

Flow Way Community Development District

Debt Service Fund - Series 2013 Bonds - Budget

Description	Principal	Coupon Rate	Interest	Annual Debt Service
5/1/2037			\$ 106,275.00	\$ 527,463
11/1/2037	\$ 325,000	6.50%	\$ 106,275.00	
5/1/2038			\$ 95,712.50	\$ 526,988
11/1/2038	\$ 345,000	6.50%	\$ 95,712.50	
5/1/2039			\$ 84,500.00	\$ 525,213
11/1/2039	\$ 370,000	6.50%	\$ 84,500.00	
5/1/2040			\$ 72,475.00	\$ 526,975
11/1/2040	\$ 390,000	6.50%	\$ 72,475.00	
5/1/2041			\$ 59,800.00	\$ 522,275
11/1/2041	\$ 415,000	6.50%	\$ 59,800.00	
5/1/2042			\$ 46,312.50	\$ 521,113
11/1/2042	\$ 445,000	6.50%	\$ 46,312.50	
5/1/2043			\$ 31,850.00	\$ 523,163
11/1/2043	\$ 475,000	6.50%	\$ 31,850.00	
5/1/2044			\$ 16,412.50	\$ 523,263
11/1/2044	\$ 505,000	6.50%	\$ 16,412.50	
Principal Balance - September 30, 2015	\$ 7,050,000			

Flow Way Community Development District

Capital Projects Fund - Series 2013 Bonds - Budget
Fiscal Year 2016

Description	Fiscal Year 2015 Budget	Actual at 03/31/2015	Anticipated Year End 09/30/2015	Fiscal Year 2016 Budget
Revenues and Other Sources				
Carryforward	\$ -	\$ -	\$ -	\$ -
Interest Income	\$ -	\$ 1	\$ 2	\$ -
Operating Transfers In	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	\$ -	\$ 6,112,139	\$ 6,112,139	\$ -
Total Revenue & Other Sources	\$ -	\$ 6,112,140	\$ 6,112,141	\$ -
Expenditures and Other Uses				
Flood Control - Stormwater Management				
Costs of Issuance	\$ -	\$ 337,672	\$ 337,672	\$ -
Legal Services	\$ -	\$ -	\$ -	\$ -
Capital Outlay	\$ -	\$ 5,720,639	\$ 5,774,469	\$ -
Total Expenditures and Other Uses	\$ -	\$ 6,058,311	\$ 6,112,141	\$ -
Net Increase/(Decrease) in Fund	\$ -	\$ 53,829	\$ (0)	\$ -
Fund Balance - Beginning	\$ -	\$ -	\$ -	\$ -
Fund Balance - Ending (Projected)	\$ -	\$ 53,829	\$ (0)	\$ -

Flow Way Community Development District

**Debt Service Fund - Series 2015 Bonds - Budget
Fiscal Year 2016**

Description	Fiscal Year 2015 Budget	Actual at 03/31/2015	Anticipated Year End 09/30/2015	Fiscal Year 2016 Budget
Revenues and Other Sources				
Carryforward				
Amount Required for 11/1/2016 Debt Service	\$ -	\$ -	\$ -	\$ (164,603)
Capitalized Interest Available	\$ -	\$ -	\$ -	\$ 111,777
Interest Income				
Revenue Account	\$ -	\$ -	\$ -	\$ -
Reserve Account	\$ -	\$ -	\$ -	\$ -
Interest Account	\$ -	\$ -	\$ -	\$ -
Special Assessment Revenue				
Special Assessment - On-Roll	\$ -	\$ -	\$ -	\$ 284,093
Special Assessment - Off-Roll	\$ -	\$ -	\$ -	\$ -
Special Assessment - Prepayment	\$ -	\$ -	\$ -	\$ -
Debt Proceeds				
Series 2013 Issuance Proceeds	\$ -	\$ -	\$ 376,271	\$ -
Total Revenue & Other Sources	\$ -	\$ -	\$ 376,271	\$ 231,266

Expenditures and Other Uses

Debt Service

Principal Debt Service - Mandatory

Series A Bonds \$ - \$ - \$ - \$ -

Principal Debt Service - Early Redemptions

Series A Bonds \$ - \$ - \$ - \$ -

Interest Expense

Series A Bonds \$ - \$ - \$ - \$ 211,380

Other Fees and Charges

Discounts for Early Payment \$ - \$ - \$ - \$ 19,886

Total Expenditures and Other Uses \$ - \$ - \$ - \$ **231,266**

Net Increase/(Decrease) in Fund Balance

\$ - \$ 376,271 \$ -

Fund Balance - Beginning

\$ - \$ - \$ 429,097

Fund Balance - Ending

\$ - \$ - \$ **429,097**

Restricted Fund Balance:

Reserve Account Requirement \$ 264,494

Restricted for November 1, 2016 Debt Service

Principal \$ 65,000

Interest \$ 99,603

Total - Restricted Fund Balance: \$ **429,097**

Assessment Comparison

Description	Number of Units	Fiscal Year	
		2015	Fiscal Year 2016
SF - 52'	64	N/A	\$ 2,010.40
SF - 76'	23	N/A	\$ 3,941.48
SF - 90'	18	N/A	\$ 3,598.51
Total:	105		N/A

Flow Way Community Development District

Debt Service Fund - Series 2015 Bonds - Budget

Description	Principal	Coupon Rate	Interest	Annual Debt Service
Principal Balance - October 1, 2015	\$ 3,950,000			
11/1/2015			\$ 111,776.84	
5/1/2016			\$ 99,603.13	\$ 211,380
11/1/2016	\$ 65,000	4.250%	\$ 99,603.13	
5/1/2017			\$ 98,221.88	\$ 262,825
11/1/2017	\$ 65,000	4.250%	\$ 98,221.88	
5/1/2018			\$ 96,840.63	\$ 260,063
11/1/2018	\$ 70,000	4.250%	\$ 96,840.63	
5/1/2019			\$ 95,353.13	\$ 262,194
11/1/2019	\$ 70,000	4.250%	\$ 95,353.13	
5/1/2020			\$ 93,865.63	\$ 259,219
11/1/2020	\$ 75,000	4.250%	\$ 93,865.63	
5/1/2021			\$ 92,271.88	\$ 261,138
11/1/2021	\$ 75,000	4.250%	\$ 92,271.88	
5/1/2022			\$ 90,678.13	\$ 257,950
11/1/2022	\$ 80,000	4.250%	\$ 90,678.13	
5/1/2023			\$ 88,978.13	\$ 259,656
11/1/2023	\$ 85,000	4.250%	\$ 88,978.13	
5/1/2024			\$ 87,171.88	\$ 261,150
11/1/2024	\$ 90,000	4.250%	\$ 87,171.88	
5/1/2025			\$ 85,259.38	\$ 262,431
11/1/2025	\$ 90,000	4.250%	\$ 85,259.38	
5/1/2026			\$ 83,346.88	\$ 258,606
11/1/2026	\$ 95,000	5.000%	\$ 83,346.88	
5/1/2027			\$ 80,971.88	\$ 259,319
11/1/2027	\$ 100,000	5.000%	\$ 80,971.88	
5/1/2028			\$ 78,471.88	\$ 259,444
11/1/2028	\$ 105,000	5.000%	\$ 78,471.88	
5/1/2029			\$ 75,846.88	\$ 259,319
11/1/2029	\$ 110,000	5.000%	\$ 75,846.88	
5/1/2030			\$ 73,096.88	\$ 258,944
11/1/2030	\$ 115,000	5.000%	\$ 73,096.88	
5/1/2031			\$ 70,221.88	\$ 258,319
11/1/2031	\$ 120,000	5.000%	\$ 70,221.88	
5/1/2032			\$ 67,221.88	\$ 257,444
11/1/2032	\$ 130,000	5.000%	\$ 67,221.88	
5/1/2033			\$ 63,971.88	\$ 261,194
11/1/2033	\$ 135,000	5.000%	\$ 63,971.88	
5/1/2034			\$ 60,596.88	\$ 259,569
11/1/2034	\$ 140,000	5.000%	\$ 60,596.88	
5/1/2035			\$ 57,096.88	\$ 257,694
11/1/2035	\$ 150,000	5.000%	\$ 57,096.88	
5/1/2036			\$ 53,346.88	\$ 260,444
11/1/2036	\$ 155,000	5.375%	\$ 53,346.88	
5/1/2037			\$ 49,181.25	\$ 257,528
11/1/2037	\$ 165,000	5.375%	\$ 49,181.25	

Flow Way Community Development District

Debt Service Fund - Series 2015 Bonds - Budget

Description	Principal	Coupon Rate	Interest	Annual Debt Service
5/1/2038			\$ 44,746.88	\$ 258,928
11/1/2038	\$ 175,000	5.375%	\$ 44,746.88	
5/1/2039			\$ 40,043.75	\$ 259,791
11/1/2039	\$ 180,000	5.375%	\$ 40,043.75	
5/1/2040			\$ 35,206.25	\$ 255,250
11/1/2040	\$ 190,000	5.375%	\$ 35,206.25	
5/1/2041			\$ 30,100.00	\$ 255,306
11/1/2041	\$ 200,000	5.375%	\$ 30,100.00	
5/1/2042			\$ 24,725.00	\$ 254,825
11/1/2042	\$ 210,000	5.375%	\$ 24,725.00	
5/1/2043			\$ 19,081.25	\$ 253,806
11/1/2043	\$ 225,000	5.375%	\$ 19,081.25	
5/1/2044			\$ 13,034.38	\$ 257,116
11/1/2043	\$ 235,000	5.375%	\$ 13,034.38	
5/1/2044			\$ 6,718.75	\$ 254,753
11/1/2044	\$ 250,000	5.375%	\$ 6,718.75	
Principal Balance - September 30, 2016	\$ 3,950,000			

Flow Way Community Development District

Capital Projects Fund - Series 2015 Bonds - Budget
Fiscal Year 2016

Description	Fiscal Year 2015 Budget	Actual at 03/31/2015	Anticipated Year End 09/30/2015	Fiscal Year 2016 Budget
Revenues and Other Sources				
Carryforward	\$ -	\$ -	\$ -	\$ -
Interest Income	\$ -	\$ -	\$ -	\$ -
Operating Transfers In	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	\$ -	\$ -	\$ 3,573,729	\$ -
Total Revenue & Other Sources	\$ -	\$ -	\$ 3,573,729	\$ -
Expenditures and Other Uses				
Flood Control - Stormwater Management				
Costs of Issuance	\$ -	\$ -	\$ 291,750	\$ -
Legal Services	\$ -	\$ -	\$ -	\$ -
Capital Outlay	\$ -	\$ -	\$ 3,281,979	\$ -
Total Expenditures and Other Uses	\$ -	\$ -	\$ 3,573,729	\$ -
Net Increase/(Decrease) in Fund	\$ -	\$ -	\$ 0	\$ -
Fund Balance - Beginning	\$ -	\$ -	\$ -	\$ -
Fund Balance - Ending (Projected)	\$ -	\$ -	\$ 0	\$ -

Flow Way Community Development District

**Assessment Comparison - Budget
Fiscal Year 2016**

Description	Number of Units	General Fund		Debt Service Fund		Total	
		FY 2015	FY 2016	FY 2015	FY 2016	FY 2015	FY 2016
Series 2013 Bonds							
SF - 52'	69	\$ 310.78	\$ 310.90	N/A	\$ 1,220.76	N/A	\$ 1,531.66
SF - 62'	44	\$ 310.78	\$ 310.90	N/A	\$ 2,181.55	N/A	\$ 2,492.45
SF - 62' - Replat 57'	38	\$ 310.78	\$ 310.90	N/A	\$ 1,744.17	N/A	\$ 2,055.06
SF - 76'	62	\$ 310.78	\$ 310.90	N/A	\$ 3,259.90	N/A	\$ 3,570.80
SF - 90' - Replat 62'	7	\$ 310.78	\$ 310.90	N/A	\$ 3,116.47	N/A	\$ 3,427.36
Multi-Family	96	\$ 310.78	\$ 310.90	N/A	\$ 1,064.39	N/A	\$ 1,375.28
Total:	316						
Series 2015 Bonds							
SF - 52'	64	N/A	\$ 310.90	N/A	\$ 2,010.40	N/A	\$ 2,321.30
SF - 76'	23	N/A	\$ 310.90	N/A	\$ 3,941.48	N/A	\$ 4,252.37
SF - 90'	18	N/A	\$ 310.90	N/A	\$ 3,598.51	N/A	\$ 3,909.40
Total:	105						



JENNIFER J. EDWARDS
SUPERVISOR OF ELECTIONS

April 16, 2015

Mr. James Ward
JPWard & Associates
2041 NE 6 Terrace
Wilton Manors, FL 33305

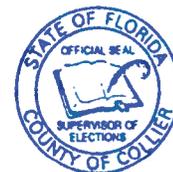
Dear Mr. Ward,

In compliance with Chapter 190.06 Florida Statutes this notice is to inform you that the official records of the Collier County Supervisor of Elections indicate 30 registered voters residing in the Flow Way CDD as of April 15, 2015.

Should you have questions regarding election services for the district please feel free to contact our office.

Sincerely,

David B Carpenter
Qualifying Officer
Collier County Supervisor of Elections
(239) 252-8501
DaveCarpenter@colliergov.net



Flow Way Community Development District

Financial Statements

March 31, 2015



Prepared by:

JPWARD AND ASSOCIATES LLC

2041 NORTHEAST 6TH TERRACE

WILTON MANORS, FLORIDA 33305

**Flowway Community Development District
Balance Sheet
for the Period Ending March 31, 2015**

	Governmental Funds						Totals (Memorandum Only)
	Debt Service Funds			Account Groups			
	General Fund	Series 2013	Capital Project Fund	General Long Term Debt	General Fixed Assets		
Assets							
Cash and Investments							
General Fund - Invested Cash	\$ 87,776	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 87,776
Debt Service Fund							
Interest Account	-	27	-	-	-	-	27
Sinking Account	-	-	-	-	-	-	-
Reserve Account	-	539,013	-	-	-	-	539,013
Revenue	-	215,192	-	-	-	-	215,192
Prepayment Account	-	-	-	-	-	-	-
Costruction	-	-	44,312	-	-	-	44,312
Cost of Issuance	-	-	-	-	-	-	-
Due from Other Funds							
General Fund	-	8,811	-	-	-	-	8,811
Debt Service Fund(s)	-	-	-	-	-	-	-
Market Valuation Adjustments							
Accrued Interest Receivable	-	-	-	-	-	-	-
Assessments Receivable	-	-	-	-	-	-	-
Amount Available in Debt Service Funds	-	-	-	763,042	-	-	763,042
Amount to be Provided by Debt Service Funds	-	-	-	6,286,958	-	-	6,286,958
Investment in General Fixed Assets (net of depreciation)	-	-	-	-	-	-	-
Total Assets	\$ 87,776	\$ 763,042	\$ 44,312	\$ 7,050,000	\$ -	\$ -	\$ 7,945,130

**Flowway Community Development District
Balance Sheet
for the Period Ending March 31, 2015**

	Governmental Funds						Totals (Memorandum Only)
	Debt Service Funds			Account Groups			
	General Fund	Series 2013	Capital Project Fund	General Long Term Debt	General Fixed Assets		
Liabilities							
Accounts Payable & Payroll Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-	-	-	-
General Fund	-	-	-	-	-	-	-
Debt Service Fund(s)	8,811	-	-	-	-	8,811	8,811
Bonds Payable	-	-	-	-	-	-	-
Current Portion	-	-	-	-	-	-	-
Long Term	-	-	-	7,050,000	-	7,050,000	7,050,000
Total Liabilities	\$ 8,811	\$ -	\$ -	\$ 7,050,000	\$ -	\$ 7,058,811	\$ 7,058,811
Fund Equity and Other Credits							
Investment in General Fixed Assets	-	-	-	-	-	-	-
Fund Balance							
Restricted							
Beginning: October 1, 2014 (Audited)	-	764,124	-	-	-	764,124	764,124
Results from Current Operations	-	-	-	-	-	-	-
Unassigned							
Beginning: October 1, 2014 (Audited)	31,813	-	52,332	-	-	84,145	84,145
Results from Current Operations	47,152	(1,082)	(8,020)	-	-	38,051	38,051
Total Fund Equity and Other Credits	\$ 78,965	\$ 763,042	\$ 44,312	\$ -	\$ -	\$ 886,320	\$ 886,320
Total Liabilities, Fund Equity and Other Credits	\$ 87,776	\$ 763,042	\$ 44,312	\$ 7,050,000	\$ -	\$ 7,945,130	\$ 7,945,130

Prepared by:

JPWARD and Associates, LLC

Flowway Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through March 31, 2015

Description	October	November	December	January	February	March	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources									
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
Interest									
Interest - General Checking	-	-	-	-	-	-	-	-	N/A
Special Assessment Revenue									
Special Assessments - On-Roll	-	-	2,812	6,530	79,667	3,644	92,653	93,065	100%
Special Assessments - Off-Roll	-	-	-	-	-	-	-	-	N/A
Intragovernmental Transfer In	-	-	-	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ -	\$ -	\$ 2,812	\$ 6,530	\$ 79,667	\$ 3,644	92,653	\$ 93,065	100%
Expenditures and Other Uses									
Executive									
Professional Management	3,333	3,333	3,333	3,333	3,333	3,333	20,000	40,000	50%
Financial and Administrative									
Audit Services	-	-	-	-	-	-	-	6,500	0%
Accounting Services	667	667	667	667	667	667	4,000	8,000	50%
Assessment Roll Services	-	-	4,876	-	-	-	4,876	-	N/A
Arbitrage Rebate Services	-	-	500	-	-	-	500	1,000	50%
Other Contractual Services									
Recording and Transcription	-	-	-	-	-	-	-	-	N/A
Legal Advertising	-	576	526	-	-	4,354	5,457	1,000	546%
Trustee Services	-	-	-	-	2,625	-	2,625	5,500	48%
Dissemination Agent Services	-	-	-	-	-	-	-	5,000	0%
Property Appraiser Fees	-	-	-	-	-	-	-	-	N/A
Bank Services	15	16	51	32	34	-	148	240	62%

Flowway Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through March 31, 2015

Description	October	November	December	January	February	March	Year to Date	Total Annual Budget	% of Budget
Travel and Per Diem	-	-	-	-	-	-	-	-	N/A
Communications & Freight Services									
Postage, Freight & Messenger	-	-	91	-	79	84	254	500	51%
Computer Services - Website Development	-	-	-	-	-	-	-	2,400	0%
Insurance	5,923	-	-	-	-	-	5,923	6,000	99%
Printing & Binding	-	-	-	-	261	337	598	500	120%
Office Supplies	-	-	-	-	-	-	-	250	0%
Subscription & Memberships	-	175	-	-	-	-	175	175	100%
Legal Services									
Legal - General Counsel	-	-	945	-	-	-	945	10,000	9%
Debt Service - Miromar Lakes LLC Note	-	-	-	-	-	-	-	-	N/A
Other General Government Services									
Engineering Services - General Fund	-	-	-	-	-	-	-	1,000	0%
Contingencies	-	-	-	-	-	-	-	5,000	0%
Other Current Charges	-	-	-	-	-	-	-	-	N/A
Sub-Total:	9,938	4,767	10,990	4,032	7,000	8,775	45,501	93,065	49%
Total Expenditures and Other Uses:	\$ 9,938	\$ 4,767	\$ 10,990	\$ 4,032	\$ 7,000	\$ 8,775	\$ 45,501	\$ 93,065	49%
Net Increase/ (Decrease) in Fund Balance	(9,938)	(4,767)	(8,178)	2,498	72,667	(5,131)	47,152	-	
Fund Balance - Beginning	31,813	21,875	17,108	8,930	11,429	84,096	31,813	-	
Fund Balance - Ending	\$ 21,875	\$ 17,108	\$ 8,930	\$ 11,429	\$ 84,096	\$ 78,965	78,965	\$ -	

Flowway Community Development District
Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through March 31, 2015

Description	October	November	December	January	February	March	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources									
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ 225,071	N/A
Interest Income									
Interest Account	2	2	0	-	-	-	4	-	N/A
Reserve Account	4	5	4	5	5	4	27	25	107%
Prepayment Account	-	-	-	-	-	-	-	10	0%
Revenue Account	-	-	-	-	-	0	0	-	N/A
Special Assessment Revenue									
Special Assessments - On-Roll	-	-	6,799	15,787	192,606	8,811	224,002	225,019	100%
Special Assessments - Off-Roll	-	-	-	-	-	-	-	-	N/A
Debt Proceeds									
	-	-	-	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 6	\$ 6	\$ 6,804	\$ 15,792	\$ 192,610	\$ 8,815	224,033	\$ 450,125	N/A
Expenditures and Other Uses									
Debt Service									
Principal Debt Service - Mandatory									
Series 2013 Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
Principal Debt Service - Early Redemptions									
Series 2013 Bonds	-	-	-	-	-	-	-	-	N/A
Interest Expense									
Series 2013 Bonds	-	225,063	-	-	-	-	225,063	450,125	50%
Operating Transfers Out (To Other Funds)									
	-	-	-	52	-	-	52	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ 225,063	\$ -	\$ 52	\$ -	\$ -	225,115	\$ 450,125	N/A
Net Increase/ (Decrease) in Fund Balance	6	(225,056)	6,804	15,739	192,610	8,815	(1,082)	(225,071)	
Fund Balance - Beginning	764,124	764,131	539,075	545,878	561,617	754,228	764,124	764,124	
Fund Balance - Ending	\$ 764,131	\$ 539,075	\$ 545,878	\$ 561,617	\$ 754,228	\$ 763,042	763,042	\$ 539,053	

**Flowway Community Development District
Capital Project Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through March 31, 2015**

Description	October	November	December	January	February	March	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources									
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
Interest Income									
Construction Account	0	0	0	0	0	0	2	-	N/A
Cost of Issuance	-	-	-	-	-	-	-	-	N/A
Debt Proceeds									
Series 2013	-	-	-	-	-	-	-	-	N/A
Operating Transfers In (From Other Funds)	-	-	-	52	-	-	52	-	N/A
Total Revenue and Other Sources:	\$ 0	\$ 0	\$ 0	\$ 53	\$ 0	\$ 0	55	\$ -	N/A
Expenditures and Other Uses									
Capital Outlay									
Construction in Progress	5,250	-	-	-	-	-	5,250	-	N/A
Cost of Issuance									
Series 2013 Bonds	-	-	-	-	2,824	-	2,824	\$ -	N/A
Operating Transfers Out (To Other Funds)	-	-	-	-	-	-	-	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ -	\$ -	\$ -	\$ 2,824	\$ -	8,074	\$ -	N/A
Net Increase/ (Decrease) in Fund Balance	0	0	0	53	(2,824)	0	(8,020)	-	
Fund Balance - Beginning	52,332	52,332	52,333	52,333	52,386	49,562	52,332	-	
Fund Balance - Ending	\$ 52,332	\$ 52,333	\$ 52,333	\$ 52,386	\$ 49,562	\$ 49,562	44,312	\$ -	