
JPWard and Associates LLC

TOTAL Commitment to Excellence

Flow Way

Community Development District

Board of Supervisors

June 20, 2019

Two of Two



Visit our web site at: www.flowwaycdd.org

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FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

June 12, 2019

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 **Thursday, June 20, 2019 at 1:00 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) May 16, 2019 Regular Meeting Minutes
3. CONSIDERATION OF RESOLUTION 2019-10 OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENTDISTRICT DECLARING SPECIAL ASSESSMENTS; INDICATING THE LOCATION, NATURE AND ESTIMATED COST OF THOSE IMPROVEMENTS WHICH COST IS TO BE DEFRAID IN WHOLE OR IN PART BY THE SPECIAL ASSESSMENTS; PROVIDING THE PORTION OF THE ESTIMATED COST OF THE IMPROVEMENTS TO BE DEFRAID IN WHOLE OR IN PART BY THE SPECIAL ASSESSMENTS; PROVIDING THE MANNER IN WHICH SUCH SPECIAL ASSESSMENTS SHALL BE MADE; PROVIDING WHEN SUCH SPECIAL ASSESSMENTS SHALL BE MADE; DESIGNATING LANDS UPON WHICH THE SPECIAL ASSESSMENTS SHALL BE LEVIED; PROVIDING FOR AN ASSESSMENT PLAT; ADOPTING A PRELIMINARY ASSESSMENT ROLL; PROVIDING FOR A PUBLIC HEARING TO CONSIDER THE ADVISABILITY AND PROPRIETY OF SAID ASSESSMENTS AND THE RELATED IMPROVEMENTS; PROVIDING FOR NOTICE OF SAID PUBLIC HEARING; PROVIDING FOR PUBLICATION OF THIS RESOLUTION; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.
4. CONSIDERATION OF RESOLUTION 2019-11 OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT SETTING A PUBLIC HEARING TO BE HELD ON TUESDAY, JULY 25, 2019 AT 1:00 P.M. AT THE OFFICES OF COLEMAN, YOVANOVICH & KOESTER, P.A., 4001 TAMIAMI TRAIL NORTH, SUITE 300, NAPLES, FLORIDA 34103, FOR THE PURPOSE OF HEARING PUBLIC COMMENT ON IMPOSING SPECIAL ASSESSMENTS ON CERTAIN PROPERTY WITHIN THE DISTRICT GENERALLY DESCRIBED AS THE FLOW WAY COMMUNITY DEVELOPMENT DISTRICT IN ACCORDANCE WITH CHAPTERS 170, 190 AND 197, FLORIDA STATUTES; AND PROVIDING AN EFFECTIVE DATE.
5. CONDIDERATION OF RESOLUTION 2019-12 OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT ADOPTING POLICIES AND PROCEDURES RELATING TO THE PUBLIC'S OPPORTUNITY TO BE HEARD; DESIGNATING PUBLIC COMMENT PERIODS; DESIGNATING A PROCEDURE TO IDENTIFY INDIVIDUALS SEEKING TO BE HEARD; ADDRESSING PUBLIC DECORUM;

ADDRESSING EXCEPTIONS; PROVIDING FOR CONFLICTS, PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE.

6. CONSIDERATION OF RESOLUTION 2019-13 OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT RESCINDING RESOLUTION 2018-17 WHICH RESOLUTION, AMONG OTHER THINGS, DECLARED SPECIAL ASSESSMENTS AND THE MANNER IN WHICH SAID SPECIAL ASSESSMENTS WOULD BE MADE, AND CALLED FOR A PUBLIC HEARING TO CONSIDER THE ADVISABILITY AND PROPRIETY OF SAID SPECIAL ASSESSMENTS AND THE RELATED IMPROVEMENTS; PROVIDING FOR SEVERABILITY, PROVIDING FOR CONFLICT; AND PROVIDING FOR AN EFFECTIVE DATE.
7. CONSIDERATION OF RESOLUTION 2019-14 OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT RESCINDING RESOLUTION 2018-18 WHICH RESOLUTION, AMONG OTHER THINGS, SET A PUBLIC HEARING FOR THE PURPOSE OF HEARING PUBLIC COMMENT ON IMPOSING SPECIAL ASSESSMENTS; PROVIDING FOR SEVERABILITY, PROVIDING FOR CONFLICT; AND PROVIDING FOR AN EFFECTIVE DATE.
8. CONSIDERATION OF RESOLUTION 2019-15 OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$[11,000,000] AGGREGATE PRINCIPAL AMOUNT OF ITS FLOW WAY COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT BONDS, SERIES 2019 (PHASE 7 AND PHASE 8 PROJECTS), IN ONE OR MORE SERIES (THE "SERIES 2019 BONDS"); DETERMINING CERTAIN DETAILS OF THE SERIES 2019 BONDS; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A SIXTH SUPPLEMENTAL TRUST INDENTURE; AUTHORIZING THE NEGOTIATED SALE OF THE SERIES 2019 BONDS; APPOINTING THE UNDERWRITER; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE CONTRACT WITH RESPECT TO THE SERIES 2019 BONDS AND AWARDING THE SERIES 2019 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 2019 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 2019 BOND PROCEEDS; AUTHORIZING THE PROPER OFFICIALS TO DO ALL THINGS DEEMED NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE SERIES 2019 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.
9. CONSIDERATION OF RESOLUTION 2019-16 OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE ACQUISITION OF CERTAIN POTABLE WATER AND WASTEWATER UTILITY FACILITIES FOR PHASE 5, PARCEL I FROM THE DEVELOPER, TAYLOR MORRISON ESPLANADE NAPLES, LLC AND AUTHORIZING THE CONVEYANCE OF SUCH POTABLE WATER AND WASTEWATER UTILITY FACILITIES TO COLLIER COUNTY; AUTHORIZING THE CHAIRMAN OR THE VICE CHAIRMAN (IN THE CHAIRMAN'S ABSENCE) TO EXECUTE SUCH CONVEYANCE DOCUMENTS TO THE EXTENT NECESSARY TO EVIDENCE THE DISTRICT'S ACCEPTANCE

AND CONVEYANCE; PROVIDING FOR SEVERABILITY, PROVIDING FOR CONFLICTS; AND PROVIDING FOR AN EFFECTIVE DATE.

10. CONSIDERATION OF RESOLUTION 2019-17 OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE ACQUISITION OF CERTAIN POTABLE WATER AND WASTEWATER UTILITY FACILITIES FOR PARCEL K3 AND K4 FROM THE DEVELOPER, TAYLOR MORRISON ESPLANADE NAPLES, LLC AND AUTHORIZING THE CONVEYANCE OF SUCH POTABLE WATER AND WASTEWATER UTILITY FACILITIES TO COLLIER COUNTY; AUTHORIZING THE CHAIRMAN OR THE VICE CHAIRMAN (IN THE CHAIRMAN'S ABSENCE) TO EXECUTE SUCH CONVEYANCE DOCUMENTS TO THE EXTENT NECESSARY TO EVIDENCE THE DISTRICT'S ACCEPTANCE AND CONVEYANCE; PROVIDING FOR SEVERABILITY, PROVIDING FOR CONFLICTS; AND PROVIDING FOR AN EFFECTIVE DATE.

11. Staff Reports

- a) District Attorney
- b) District Engineer
- c) District Manager
 - I. Financial Statements May 31, 2019 (Unaudited)
 - II. Update on Cheffy Passidomo retention and status of legal opinion on Preserves.
 - III. Update by Tim Hall (Turrell and Associates) on the operations of the preserves.

7. Supervisor's Requests and Audience Comments

12. Adjournment

The second order of business is the consideration of the minutes for May 16, 2019 Regular Meeting Minutes.

The third and fourth order of business is the start of the process by the District to levy capital assessments on the remaining portion of Phase 7 (36 Esplanade Units), Phase 8 (consisting of 275 Single and Multi Family Units (including 34 – 52' single family lots associated with the property known as Hatcher, to finance the capital improvement program for the District.

In order to start the process, Waldrop Engineering prepared an engineering report that outlines the capital improvement plan for the above referenced area, which includes the infrastructure required for the area and allocation of costs for the infrastructure.

The first step is for Waldrop Engineering to describe the overall capital improvement program and the phasing plan for the capital improvement program.

Subsequent to that presentation, I will review the special assessment methodology, which takes the cost allocation and adds the preliminary financing costs, to get a par debt to be issues, along with the estimated assessments for the property being assessed.

Finally the Board will consider two resolutions. The first Resolution 2019-10 is what we call a Resolution of Intent to Levy, and simply means that the Board desires to proceed with the public hearing to levy assessments to fund the capital improvement program. The second Resolution 2019-11 is a Resolution that provides notice of the public hearing on the proposed assessments. The public hearing is scheduled for Thursday, July 25, 2019 at 1:00 P.M. at the offices of Coleman, Yovanovich & Koester, 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103.

The fifth order of business is consideration of Resolution 2019-12, which provide for specific guidelines participation at a Board Meeting. Essentially, the resolution provides that all audience comments will be heard at the beginning of the meeting on any item on the agenda, or other items of concern not on the agenda, speakers are limited to three (3) minutes each on all items. The Presiding Office may at their discretion, consider additional speaker comments during an item.

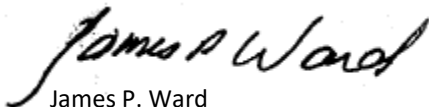
The sixth and seventh order of business deals with the rescission of Resolution 2019-13 and 2019-14 which started the assessment process for the same area that is referenced in items 3 and 4 above and which was not completed at that time.

The eighth order of business is consideration of Resolution 2019-15 which authorizes the issuance of an amount not to exceed of \$11,000,000.00 in special assessment bonds, Series 2019 (Phase 7 and Phase 8 Projects, in one or more series, including but not limited to the certain findings and facts required by law and the appropriate documents required for the issuance of the Bonds. Finally, the delegation award resolution permits staff, the Chair or Vice-Chair to make any requisite changes that are NOT deemed by Bond Counsel and District Counsel as material, to the exhibits of the resolution for the sale of the bonds.

The ninth and tenth order of business is consideration of Resolution 2019-16 and 2019-17, in which the District acquires certain water and wastewater utilities from the Developer, issues a promissory note to the Developer to repay for those facilities ONLY, from the proceeds of the Series 2019 bonds contemplated to be issued under items 3 and 4 above, and finally, to convey those facilities onto Collier County for ownership, operations and maintenance. The only reason this is being handled this way, is that residents will be moving into these areas before the District is able to complete the financing, and the utilities need to be turned over to the County before residents can move into their new homes.

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

EXHIBIT C

FORM OF PRELIMINARY LIMITED OFFERING MEMORANDUM

PRELIMINARY LIMITED OFFERING MEMORANDUM DATED _____, 2019

NEW ISSUE - BOOK-ENTRY ONLY
LIMITED OFFERING

NOT RATED

[In the opinion of Bond Counsel, assuming compliance by the District with certain covenants, under existing statutes, regulations, and judicial decisions, the interest on the Series 2019 Bonds will be excluded from gross income for federal income tax purposes of the holders thereof and will not be an item of tax preference for purposes of the federal alternative minimum tax. However, interest on the Series 2019 Bonds shall be taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax on corporations for taxable years that begin prior to January 1, 2018. The alternative minimum tax on corporations was repealed for taxable years beginning on and after January 1, 2018. See "TAX MATTERS" herein for a description of other tax consequences to holders of the Series 2019 Bonds.]

\$9,510,000*
FLOW WAY COMMUNITY DEVELOPMENT DISTRICT
(COLLIER COUNTY, FLORIDA)
SPECIAL ASSESSMENT BONDS, SERIES 2019
(PHASE 7 AND PHASE 8 PROJECTS)

Dated: Date of Original Issuance

Due: As set forth herein.

The Flow Way Community Development District (Collier County, Florida) Special Assessment Bonds, Series 2019 (Phase 7 and Phase 8 Projects) (the "Series 2019 Bonds") are being issued by the Flow Way Community Development District (the "District" or "Issuer") in fully registered form, without coupons, in authorized denominations of \$5,000 and any integral multiple thereof. The Series 2019 Bonds will bear interest at the fixed rates set forth on the cover hereof, calculated on the basis of a 360-day year comprised of twelve 30 day months, payable semi-annually on each May 1 and November 1, commencing November 1, 2019. The Series 2019 Bonds, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. Purchases of beneficial interests in the Series 2019 Bonds will be made in book-entry-only form and purchasers of beneficial interests in the Series 2019 Bonds will not receive physical bond certificates. For so long as the book-entry only system is maintained, the principal of and interest on the Series 2019 Bonds will be paid from the Pledged Revenues (as defined below) as provided in the Indenture (as defined below) and described herein by U.S. Bank National Association, as trustee (the "Trustee"), to Cede & Co., as nominee of DTC, as the registered owner thereof. Disbursement of such payments to the DTC Participants (as defined below) is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of the DTC Participants and Indirect Participants, as more fully described herein. Any purchaser, as a beneficial owner of a Series 2019 Bond, must maintain an account with a broker or dealer that is, or acts through, a DTC Participant in order to receive payment of the principal of and interest on such Series 2019 Bond. See "DESCRIPTION OF THE SERIES 2019 BONDS - Book-Entry System" herein.

Proceeds of the Series 2019 Bonds will be used to provide funds for (i) the payment of a portion of the costs of the Phase 7 and Phase 8 Projects (as described herein), (ii) the funding of the Series 2019 Debt Service Reserve Account, (iii) the payment of a portion of the interest to come due on the Series 2019 Bonds and (iv) the payment of the costs of issuance of the Series 2019 Bonds. See "THE CAPITAL IMPROVEMENT PLAN AND THE PHASE 7 AND PHASE 8 PROJECTS" and "APPENDIX A: COPY OF MASTER TRUST INDENTURE AND PROPOSED FORM OF SIXTH SUPPLEMENTAL TRUST INDENTURE" hereto.

The District is a local unit of special purpose government of the State of Florida (the "State"), created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and by Ordinance No. 02-09 of the Board of County Commissioners of Collier County, Florida (the "County"), enacted on February 26, 2002, and effective on March 4, 2002, as amended by Ordinance No. 2016-35 enacted by the County on November 15, 2016 (collectively, the "Ordinance"). The Series 2019 Bonds are being issued by the District pursuant to the Act, Resolution No. 2013-16 and Resolution No. 2019-__ adopted by the Board of Supervisors of the District (the "Board") on June 11, 2013 and June 20, 2019, respectively, and a Master Trust Indenture, dated as of December 1, 2013 (the "Master Indenture"), as supplemented by a Sixth Supplemental Trust Indenture dated as of July 1, 2019 (the "Sixth Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the District and the Trustee, as successor to Wells Fargo Bank, National Association under the Master Indenture. Capitalized terms not defined herein shall have the meanings assigned to them in the Indenture. The Series 2019 Bonds are payable from and secured solely by the Pledged Revenues. The Pledged Revenues shall mean with respect to the Series 2019 Bonds (a) all revenues received by the District from the Series 2019 Special Assessments (as defined herein) levied and collected on that portion of the District Lands benefitted by the Phase 7 and Phase 8 Project, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2019 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2019 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture; provided, however, that Pledged Revenues do not include (A) any moneys transferred to the Rebate Fund, or investment earnings thereon and (B) "special assessments" levied and collected by the District under Section 190.022 of the Act for maintenance purposes or "maintenance special assessments" levied and collected by the District under Section 190.021(3) of the Act (it being expressly understood that the lien and pledge of the Indenture does not apply to any of the moneys described in the foregoing clauses (A) and (B) of this proviso). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS" herein.

The Series 2019 Bonds are subject to optional, mandatory sinking fund and extraordinary mandatory redemption at the times, in the amounts and at the redemption prices as more fully described herein. See "DESCRIPTION OF THE SERIES 2019 BONDS – Redemption Provisions" herein.

This Preliminary Limited Offering Memorandum and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Limited Offering Memorandum constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Series 2019 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the securities laws of such jurisdiction. The District has deemed this Preliminary Limited Offering Memorandum "final," except for permitted omissions, within the contemplation of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

THE SERIES 2019 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY OUT OF THE PLEDGED REVENUES PLEDGED THEREFOR UNDER THE INDENTURE AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE DISTRICT, THE COUNTY, THE STATE OR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE SERIES 2019 BONDS, EXCEPT THAT THE DISTRICT IS OBLIGATED UNDER THE INDENTURE TO LEVY, AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION, SERIES 2019 SPECIAL ASSESSMENTS TO SECURE AND PAY THE SERIES 2019 BONDS. THE SERIES 2019 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE DISTRICT, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION. SEE "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS" HEREIN.

The Series 2019 Bonds involve a degree of risk (see "BONDOWNERS' RISKS" herein) and are not suitable for all investors (see "SUITABILITY FOR INVESTMENT" herein). The Underwriter named below is limiting this offering to "Accredited Investors" within the meaning of Chapter 517, Florida Statutes, and the rules of the Florida Department of Financial Services promulgated thereunder. The limitation of the initial offering to Accredited Investors does not denote restrictions on transfer in any secondary market for the Series 2019 Bonds. The Series 2019 Bonds are not credit enhanced or rated and no application has been made for a rating or credit enhancement with respect to the Series 2019 Bonds.

This cover page contains information for quick reference only. It is not a summary of the Series 2019 Bonds. Investors must read the entire Limited Offering Memorandum to obtain information essential to the making of an informed investment decision.

MATURITY SCHEDULE

\$ _____	- _____%	Series 2019 Term Bond due November 1, 20__	, Yield _____%	, Price _____	CUSIP # _____	**
\$ _____	- _____%	Series 2019 Term Bond due November 1, 20__	, Yield _____%	, Price _____	CUSIP # _____	**
\$ _____	- _____%	Series 2019 Term Bond due November 1, 20__	, Yield _____%	, Price _____	CUSIP # _____	**
\$ _____	- _____%	Series 2019 Term Bond due November 1, 20__	, Yield _____%	, Price _____	CUSIP # _____	**

The initial sale of the Series 2019 Bonds is subject to certain conditions precedent, including, without limitation, receipt of the opinion of Bryant Miller Olive P.A., Orlando, Florida, Bond Counsel, as to the validity of the Series 2019 Bonds and the excludability of interest thereon from gross income for federal income tax purposes. Certain legal matters will be passed upon for the District by its counsel, Coleman, Yovanovich & Koester, P.A., Naples, Florida, for the Developer (as defined herein) by its counsel, J. Wayne Crosby, P.A., Winter Park, Florida, and for the Underwriter by its counsel, GrayRobinson, P.A., Tampa, Florida. It is expected that the Series 2019 Bonds will be delivered in book-entry form through the facilities of DTC on or about July __, 2019.

FMSbonds, Inc.

Dated: _____, 2019

* Preliminary, subject to change.

**The District is not responsible for the CUSIP numbers, nor is any representation made as to their correctness. The CUSIP numbers are included solely for the convenience of the readers of this Limited Offering Memorandum.

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

BOARD OF SUPERVISORS

Andrew Miller,* Chairperson
John Wollard,* Vice-Chairperson
Tom Kleck, Assistant Secretary
Tim Martin,* Assistant Secretary
Ronald Miller, Assistant Secretary

* Employee of the Developer or an affiliate of the Developer

DISTRICT MANAGER/METHODOLOGY CONSULTANT

JPWard and Associates, LLC
Oakland Park, Florida

DISTRICT COUNSEL

Coleman, Yovanovich & Koester, P.A.
Naples, Florida

BOND COUNSEL

Bryant Miller Olive P.A.
Orlando, Florida

DISTRICT ENGINEER

Waldrop Engineering, P.A.
Bonita Springs, Florida

NO DEALER, BROKER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED BY THE DISTRICT TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS, OTHER THAN THOSE CONTAINED IN THIS LIMITED OFFERING MEMORANDUM, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE DISTRICT. THIS LIMITED OFFERING MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY OF THE SERIES 2019 BONDS AND THERE SHALL BE NO OFFER, SOLICITATION, OR SALE OF THE SERIES 2019 BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION OR SALE.

THE INFORMATION SET FORTH HEREIN HAS BEEN OBTAINED FROM THE DEVELOPER (AS HEREINAFTER DEFINED), THE DISTRICT, PUBLIC DOCUMENTS, RECORDS AND OTHER SOURCES, WHICH SOURCES ARE BELIEVED TO BE RELIABLE BUT WHICH INFORMATION IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS BY, AND IS NOT TO BE CONSTRUED AS A REPRESENTATION OF, THE UNDERWRITER NAMED ON THE COVER PAGE OF THIS LIMITED OFFERING MEMORANDUM. THE UNDERWRITER HAS REVIEWED THE INFORMATION IN THIS LIMITED OFFERING MEMORANDUM IN ACCORDANCE WITH, AND AS PART OF, ITS RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITER DOES NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. THE INFORMATION AND EXPRESSIONS OF OPINION HEREIN CONTAINED ARE SUBJECT TO CHANGE WITHOUT NOTICE AND NEITHER THE DELIVERY OF THIS LIMITED OFFERING MEMORANDUM, NOR ANY SALE MADE HEREUNDER, SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE DISTRICT OR THE DEVELOPER OR IN THE STATUS OF THE DEVELOPMENT OR THE PHASE 7 OR PHASE 8 PROJECTS (AS SUCH TERMS ARE HEREINAFTER DEFINED) SINCE THE DATE HEREOF.

THE SERIES 2019 BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON CERTAIN EXEMPTIONS SET FORTH IN SUCH ACTS. THE REGISTRATION, QUALIFICATION OR EXEMPTION OF THE SERIES 2019 BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF ANY JURISDICTIONS WHEREIN THESE SECURITIES HAVE BEEN OR WILL BE REGISTERED, QUALIFIED OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THE DISTRICT, THE COUNTY, THE STATE, NOR ANY OTHER POLITICAL SUBDIVISIONS THEREOF HAVE GUARANTEED OR PASSED UPON THE MERITS OF THE SERIES 2019 BONDS, UPON THE PROBABILITY OF ANY EARNINGS THEREON OR UPON THE ACCURACY OR ADEQUACY OF THIS LIMITED OFFERING MEMORANDUM.

"FORWARD-LOOKING STATEMENTS" ARE USED IN THIS DOCUMENT BY USING FORWARD LOOKING WORDS SUCH AS "MAY," "WILL," "SHOULD,"

"INTENDS," "EXPECTS," "BELIEVES," "ANTICIPATES," "ESTIMATES," OR OTHERS. THE READER IS CAUTIONED THAT FORWARD-LOOKING STATEMENTS ARE SUBJECT TO A VARIETY OF UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER FROM THE PROJECTED RESULTS. THOSE RISKS AND UNCERTAINTIES INCLUDE GENERAL ECONOMIC AND BUSINESS CONDITIONS, CONDITIONS IN THE FINANCIAL MARKETS AND REAL ESTATE MARKET, THE DISTRICT'S COLLECTION OF ASSESSMENTS, AND VARIOUS OTHER FACTORS WHICH MAY BE BEYOND THE DISTRICT'S AND THE DEVELOPER'S CONTROL. BECAUSE THE DISTRICT AND THE DEVELOPER CANNOT PREDICT ALL FACTORS THAT MAY AFFECT FUTURE DECISIONS, ACTIONS, EVENTS, OR FINANCIAL CIRCUMSTANCES, WHAT ACTUALLY HAPPENS MAY BE DIFFERENT FROM WHAT IS INCLUDED IN FORWARD-LOOKING STATEMENTS.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE DISTRICT AND THE DEVELOPER DO NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ANY OF ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, OTHER THAN AS DESCRIBED UNDER "CONTINUING DISCLOSURE" HEREIN.

THIS LIMITED OFFERING MEMORANDUM IS BEING PROVIDED TO PROSPECTIVE PURCHASERS IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITES: WWW.MUNIOS.COM AND WWW.EMMA.MSRB.ORG. THIS LIMITED OFFERING MEMORANDUM MAY BE RELIED UPON ONLY IF IT IS PRINTED IN ITS ENTIRETY DIRECTLY FROM EITHER OF SUCH WEBSITES.

THIS PRELIMINARY LIMITED OFFERING MEMORANDUM IS IN A FORM DEEMED FINAL BY THE DISTRICT FOR PURPOSES OF RULE 15C2-12 UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, EXCEPT FOR CERTAIN INFORMATION PERMITTED TO BE OMITTED PURSUANT TO RULE 15C2-12(B)(1).

TABLE OF CONTENTS

	PAGE
INTRODUCTION	1
DESCRIPTION OF THE SERIES 2019 BONDS	3
General Description.....	3
Redemption Provisions.....	3
Purchase of Series 2019 Bonds	7
Book-Entry System	7
SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS.....	9
General	9
Additional Obligations	10
Covenant Against Sale or Encumbrance	11
Series 2019 Acquisition and Construction Account.....	11
Series 2019 Retainage Subaccount.....	11
Series 2019 Debt Service Reserve Account	12
Application of the Pledged Revenues.....	13
Investments or Deposit of Funds.....	13
Covenant to Levy the Series 2019 Special Assessments.....	14
Prepayment of Series 2019 Special Assessments.....	15
Indenture Provisions Relating to Bankruptcy or Insolvency of Landowner	15
Events of Default and Remedies	16
ENFORCEMENT OF ASSESSMENT COLLECTIONS	18
General	18
Alternative Uniform Tax Collection Procedure for Series 2019 Special Assessments.....	18
Foreclosure	21
BONDOWNERS' RISKS	22
Concentration of Land Ownership	22
Bankruptcy and Related Risks.....	22
Series 2019 Special Assessments Are Non-Recourse	23
Regulatory and Environmental Risks.....	23
Economic Conditions and Changes in Development Plans.....	24
Other Taxes and Assessments	24
Limited Secondary Market for Series 2019 Bonds	25
Inadequacy of Series 2019 Debt Service Reserve Account	25
Legal Delays.....	25
IRS Examination and Audit Risk	26
Loss of Exemption from Securities Registration.....	27
Federal Tax Reform.....	28
State Tax Reform.....	28
Insufficient Resources or Other Factors Causing Failure to Complete the Phase 7 and Phase 8 Projects or the Construction of Homes within the Series 2019 Assessment Area.....	28
Payment of Series 2019 Special Assessments after Bank Foreclosure	29
ESTIMATED SOURCES AND USES OF FUNDS	30
DEBT SERVICE REQUIREMENTS.....	31
THE DISTRICT	32
General Information	32

Legal Powers and Authority	32
Board of Supervisors	32
The District Manager and Other Consultants	34
Outstanding Bonds	34
THE CAPITAL IMPROVEMENT PLAN AND THE PHASE 7 AND PHASE 8 PROJECTS	35
General	35
Prior Projects	35
Phase 7 and Phase 8 Projects.....	36
ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS	37
THE DEVELOPMENT	39
General	39
Update on Previous Assessment Areas	40
Land Acquisition by the Developer.....	41
Development Status of Series 2019 Special Assessment Area (Phase 7 and Phase 8)	41
Development Finance Plan.....	42
Residential Product Offerings	43
Development Approvals.....	43
Taxes, Fees and Assessments	44
Amenities.....	45
Education.....	46
Environmental	46
Utilities	46
Competition.....	47
Developer Agreements	48
THE DEVELOPER	48
[TAX MATTERS].....	49
General	49
Information Reporting and Backup Withholding.....	50
Other Tax Matters Relating to the Series 2019 Bonds	50
[Tax Treatment of Original Issue Discount].....	52
AGREEMENT BY THE STATE	52
LEGALITY FOR INVESTMENT.....	52
SUITABILITY FOR INVESTMENT	52
ENFORCEABILITY OF REMEDIES	53
LITIGATION.....	53
The District.....	53
The Developer	53
CONTINGENT FEES	53
NO RATING.....	53
EXPERTS	54
FINANCIAL INFORMATION	54
DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS.....	54
CONTINUING DISCLOSURE.....	54

UNDERWRITING	55
VALIDATION.....	55
LEGAL MATTERS.....	55
MISCELLANEOUS	56
AUTHORIZATION AND APPROVAL	56
APPENDIX A: COPY OF MASTER TRUST INDENTURE AND PROPOSED FORM OF SIXTH SUPPLEMENTAL TRUST INDENTURE	A-1
APPENDIX B: PROPOSED FORM OF OPINION OF BOND COUNSEL	B-1
APPENDIX C: ENGINEER'S REPORT	C-1
APPENDIX D: ASSESSMENT METHODOLOGY	D-1
APPENDIX E: PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT	E-1
APPENDIX F: DISTRICT'S FINANCIAL STATEMENTS	F-1

LIMITED OFFERING MEMORANDUM

\$9,510,000*

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT (COLLIER COUNTY, FLORIDA) SPECIAL ASSESSMENT BONDS, SERIES 2019 (PHASE 7 AND PHASE 8 PROJECTS)

INTRODUCTION

The purpose of this Limited Offering Memorandum, including the cover page and appendices attached hereto, is to set forth certain information in connection with the offering for sale by the Flow Way Community Development District (the "District") of its \$9,510,000* Special Assessment Bonds, Series 2019 (Phase 7 and Phase 8 Projects) (the "Series 2019 Bonds").

THE SERIES 2019 BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS. PURSUANT TO APPLICABLE STATE LAW, THE UNDERWRITER IS LIMITING THIS INITIAL OFFERING OF THE SERIES 2019 BONDS TO ONLY ACCREDITED INVESTORS WITHIN THE MEANING OF THE RULES OF THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES. THE LIMITATION OF THE INITIAL OFFERING TO ACCREDITED INVESTORS DOES NOT DENOTE RESTRICTIONS ON TRANSFER IN ANY SECONDARY MARKET FOR THE SERIES 2019 BONDS. POTENTIAL INVESTORS ARE SOLELY RESPONSIBLE FOR EVALUATING THE MERITS AND RISKS OF AN INVESTMENT IN THE SERIES 2019 BONDS. SEE "BONDOWNERS' RISKS" AND "SUITABILITY FOR INVESTMENT" HEREIN.

The District was created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and by Ordinance No. 02-09 of the Board of County Commissioners of Collier County, Florida (the "County"), enacted on February 26, 2002, and effective on March 4, 2002, as amended by Ordinance No. 2016-35 enacted by the County on November 15, 2016 (collectively, the "Ordinance"). The District was created for the purpose of delivering certain community development services and facilities for the benefit of District Lands (as hereinafter defined), and the District has previously decided to undertake in one or more stages, the acquisition and/or construction of public improvements and community facilities as set forth in the Act for the special benefit of certain District Lands. The Act authorizes the District to issue bonds for the purposes of, among others, financing, funding, planning, establishing, acquiring, constructing or reconstructing, enlarging or extending, and equipping water management, water supply, sewer and wastewater management, bridges or culverts, public roads, street lights and other basic infrastructure projects within or without the boundaries of the District as provided in the Act.

The boundaries of the District include approximately 849.4 gross acres of land (the "District Lands") located entirely within the unincorporated area of the County and encompass the community known as Esplanade Golf and Country Club of Naples (the "Development"). The Development is situated northeast of the intersection of Immokalee Road and County Road 951, about three miles east of Interstate 75. The Development was originally planned to consist of approximately 1,168 single family and multi-family dwelling units, an 18-hole golf course, a clubhouse and a network of trails and parks. Taylor

* Preliminary, subject to change.

Morrison Esplanade Naples, LLC, a Florida limited liability company (the "Developer"), owns the majority of the land in the Series 2019 Special Assessment Area (as defined herein). See "THE DEVELOPMENT" herein for more information on the Development.

The Series 2019 Bonds are being issued by the District pursuant to the Act, Resolution No. 2013-16 and Resolution No. 2019-__ adopted by the Board of Supervisors of the District (the "Board") on June 11, 2013 and June 20, 2019, respectively, and a Master Trust Indenture, dated as of December 1, 2013 (the "Master Indenture"), as supplemented by a Sixth Supplemental Trust Indenture dated as of July 1, 2019 (the "Sixth Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the District and U.S. Bank National Association, as trustee (the "Trustee"). Capitalized terms not defined herein shall have the meanings assigned to them in the Indenture.

Proceeds of the Series 2019 Bonds will be used to provide funds for (i) the payment of a portion of the costs of the Phase 7 and Phase 8 Projects (as described herein), (ii) the funding of the Series 2019 Debt Service Reserve Account, (iii) the payment of a portion of interest to come due on the Series 2019 Bonds and (iv) the payment of the costs of issuance of the Series 2019 Bonds. See "THE CAPITAL IMPROVEMENT PLAN AND THE PHASE 7 AND PHASE 8 PROJECTS" and "APPENDIX A: COPY OF MASTER TRUST INDENTURE AND PROPOSED FORM OF SIXTH SUPPLEMENTAL TRUST INDENTURE" hereto.

The Series 2019 Bonds are payable from and secured solely by the Pledged Revenues. The Pledged Revenues shall mean with respect to the Series 2019 Bonds (a) all revenues received by the District from the Series 2019 Special Assessments (as defined herein) levied and collected on that portion of the District Lands benefitted by the Phase 7 and Phase 8 Projects, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2019 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2019 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture; provided, however, that Pledged Revenues do not include (A) any moneys transferred to the Rebate Fund, or investment earnings thereon and (B) "special assessments" levied and collected by the District under Section 190.022 of the Act for maintenance purposes or "maintenance special assessments" levied and collected by the District under Section 190.021(3) of the Act (it being expressly understood that the lien and pledge of the Indenture does not apply to any of the moneys described in the foregoing clauses (A) and (B) of this proviso). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS" herein.

The Series 2019 Special Assessments that will secure the Series 2019 Bonds will be levied only on Phase 7 and Phase 8 of the Development (the "Series 2019 Assessment Area"). Phase 7 is comprised of approximately 36 multi-family units which have been built and closed with residential end-users. Phase 8 is owned by the Developer and is comprised of approximately 38.63 gross acres which are planned for [241 or 248] units. The District has submitted a petition to the County to expand the boundaries of the District by approximately [10.01] acres which are planned for approximately 37 units, which would increase the total size of Phase 8 to approximately [48.85] gross acres planned for [278 or 285] units. See "ASSESSMENT AREA AND THE ALLOCATION OF ASSESSMENTS" and "THE DEVELOPMENT" herein for more information on the Series 2019 Special Assessment Area.

There follows in this Limited Offering Memorandum a brief description of the District, the Developer, the Development, the District's Capital Improvement Plan and the Phase 7 and Phase 8 Projects, the Series 2019 Special Assessment Area and summaries of the terms of the Series 2019 Bonds, the Indenture and certain provisions of the Act. All references herein to the Indenture and the Act are qualified in their entirety by reference to such documents and statute, and all references to the Series 2019 Bonds are qualified by reference to the definitive form thereof and the information with respect thereto contained in

the Indenture. A copy of the Master Trust Indenture and the proposed form of the Sixth Supplemental Indenture appear in Appendix A hereto.

This Limited Offering Memorandum speaks only as of its date and the information contained herein is subject to change.

DESCRIPTION OF THE SERIES 2019 BONDS

General Description

The Series 2019 Bonds are issuable only as fully registered bonds, without coupons, in denominations of \$5,000 and any integral multiple thereof. The Series 2019 Bonds will mature, subject to the redemption provisions set forth below, on the dates and in the amounts set forth on the cover page hereof. The Series 2019 Bonds will be dated the date of original issuance. Interest on the Series 2019 Bonds will be payable on each Interest Payment Date (as defined herein) to maturity or prior redemption. Interest on the Series 2019 Bonds will be payable from the most recent Interest Payment Date next preceding the date of authentication thereof to which interest has been paid, unless the date of authentication thereof is a May 1 or November 1 to which interest has been paid, in which case from such date of authentication, or unless the date of authentication thereof is prior to November 1, 2019, in which case from the date of original issuance of the Series 2019 Bonds, or unless the date of authentication thereof is between a Record Date and the next succeeding Interest Payment Date, in which case from such Interest Payment Date. "Interest Payment Date" shall mean May 1 and November 1 of each year, commencing November 1, 2019. Interest shall be computed on the basis of a 360-day year comprised of twelve 30-day months.

Upon initial issuance, the ownership of the Series 2019 Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), and purchases of beneficial interests in the Series 2019 Bonds will be made in book-entry only form. See "DESCRIPTION OF THE SERIES 2019 BONDS – Book-Entry System" herein.

The Underwriter is limiting this offering to "accredited investors" within the meaning of Chapter 517, Florida Statutes, and the rules of the Florida Department of Financial Services promulgated thereunder. The limitation of the initial offering to Accredited Investors does not denote restrictions on transfer in any secondary market for the Series 2019 Bonds. See "SUITABILITY FOR INVESTMENT" herein.

U.S. Bank National Association, is initially serving as the Trustee, Registrar and Paying Agent for the Series 2019 Bonds.

Redemption Provisions

Optional Redemption

The Series 2019 Bonds may, at the option of the District, be called for redemption prior to maturity in whole or in part at any time on or after November 1, 20__ (less than all Series 2019 Bonds to be specified by the District in writing), at a Redemption Price equal to 100% of the principal amount of Series 2019 Bonds to be redeemed plus accrued interest from the most recent Interest Payment Date to the redemption date.

Mandatory Sinking Fund Redemption

The Series 2019 Bonds maturing on November 1, 20__ are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2019 Sinking Fund

Account established under the Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption on November 1 of the years and in the principal amounts set forth below:

Year (November 1)	Amortization Installment
------------------------------	-------------------------------------

*

* Maturity.

The Series 2019 Bonds maturing on November 1, 20__ are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2019 Sinking Fund Account established under the Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption on November 1 of the years and in the principal amounts set forth below:

Year (November 1)	Amortization Installment
------------------------------	-------------------------------------

*

* Maturity.

The Series 2019 Bonds maturing on November 1, 20__ are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2019 Sinking Fund Account established under the Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption on November 1 of the years and in the principal amounts set forth below:

Year (November 1)	Amortization Installment
------------------------------	-------------------------------------

*

* Maturity.

The Series 2019 Bonds maturing on November 1, 20__ are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2019 Sinking Fund Account established under the Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption on November 1 of the years and in the principal amounts set forth below:

Year (November 1)	Amortization Installment
------------------------------	-------------------------------------

*

* Maturity.

Upon any purchase or redemption of Series 2019 Bonds other than in accordance with scheduled Sinking Fund Installments, the District shall cause to be recalculated and delivered to the Trustee revised Sinking Fund Installments recalculated so as to amortize the Outstanding principal amount of Series 2019 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the Series 2019 Bonds. The Sinking Fund Installments as so recalculated shall not result in an increase in the aggregate of the Sinking Fund Installments for all Series 2019 Bonds in any year. In the event of a redemption or purchase occurring less than forty-five (45) days prior to a date on which a Sinking Fund Installment is due, the foregoing recalculation shall not be made to Sinking Fund Installments due in the year in which such redemption or purchase occurs, but shall be made to Sinking Fund Installments for the immediately succeeding and subsequent years.

Extraordinary Mandatory Redemption

The Series 2019 Bonds are subject to extraordinary mandatory redemption prior to maturity by the District in whole, on any date, or in part, on any Quarterly Redemption Date, at an extraordinary mandatory redemption price equal to 100% of the principal amount of the Series 2019 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from Series 2019 Prepayment Principal deposited into the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund following the payment in whole or in part of Series 2019 Special Assessments on any portion of the District Lands in accordance with the provisions of the Sixth Supplemental Indenture, including with excess moneys transferred from the Series 2019 Debt Service Reserve Account to the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund resulting from such Series 2019 Special Assessment prepayments pursuant to the Sixth Supplemental Indenture.

(ii) on November 1, 2020, from amounts transferred to the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund from the Series 2019 Retainage Subaccount in the Series 2019 Acquisition and Construction Account as provided in the Sixth Supplemental Indenture by the Trustee upon the direction of the District.

(iii) on or after the Completion Date of the Phase 7 and Phase 8 Projects, by application of moneys remaining in the Series 2019 Acquisition and Construction Account, and any subaccounts therein, of the Acquisition and Construction Fund not reserved by the District for the payment of any remaining part of the Cost of the Phase 7 and Phase 8 Projects, all of which shall be transferred as specified in the Sixth Supplemental Indenture to the Series 2019 General Account of the Series 2019 Bond Redemption Fund, credited toward extinguishment of the Series 2019 Special Assessments and applied toward the redemption of the Series 2019 Bonds in accordance with the manner it has credited such excess moneys toward extinguishment of Series 2019 Special Assessments which the District shall describe to the Trustee in writing.

(iv) following condemnation or the sale of any portion of the Phase 7 and Phase 8 Projects to a governmental entity under threat of condemnation by such governmental entity and the payment of moneys which are not to be used to rebuild, replace or restore the taken portion of the Phase 7 and Phase 8 Projects to the Trustee by or on behalf of the District for deposit into the Series 2019 General Account of the Series 2019 Bond Redemption Fund in order to effectuate such redemption and, which moneys shall be applied by the District to redeem Series 2019 Bonds in accordance with the manner it has credited such moneys toward extinguishment of Series 2019 Special Assessments which the District shall describe to the Trustee in writing.

(v) following the damage or destruction of all or substantially all of the Phase 7 and Phase 8 Projects to such extent that, in the reasonable opinion of the District, the repair and restoration thereof would not be economical or would be impracticable, to the extent of amounts paid by the District to the Trustee for deposit to the Series 2019 General Account of the Series 2019 Bond Redemption Fund which moneys shall be applied by the District to redeem Series 2019 Bonds in accordance with the manner it has credited such moneys toward extinguishment of Series 2019 Special Assessments; provided, however, that at least forty-five (45) days prior to such extraordinary mandatory redemption, the District shall cause to be delivered to the Trustee (x) notice setting forth the redemption date and (y) a certificate of the Consulting Engineer confirming that the repair and restoration of the Phase 7 and Phase 8 Projects would not be economical or would be impracticable.

(vi) from moneys, if any, on deposit in the Series 2019 Funds and Accounts held hereunder (other than the Rebate Fund) sufficient to pay and redeem all Outstanding Series 2019 Bonds and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Master Indenture.

"Quarterly Redemption Date" shall mean each February 1, May 1, August 1 and November 1.

Notice of Redemption

When required to redeem or purchase Series 2019 Bonds under any provision of the Indenture or directed to do so by the District, the Trustee shall cause notice of the redemption, either in whole or in part, to be mailed at least thirty (30) but not more than sixty (60) days prior to the redemption or purchase date to all Owners of Series 2019 Bonds to be redeemed or purchased (as such Owners appear on the Bond Register on the fifth (5th) day prior to such mailing), at their registered addresses, but failure to mail any such notice or defect in the notice or in the mailing thereof shall not affect the validity of the redemption or purchase of the Series 2019 Bonds for which notice was duly mailed in accordance with the Indenture.

If at the time of mailing of notice of an optional redemption or purchase, the District shall not have deposited with the Trustee or Paying Agent moneys sufficient to redeem or purchase all the Series 2019 Bonds called for redemption or purchase, such notice shall state that it is subject to the deposit of the redemption or purchase moneys with the Trustee or Paying Agent, as the case may be, not later than the

opening of business on the redemption or purchase date, and such notice shall be of no effect unless such moneys are so deposited.

If the amount of funds deposited with the Trustee for such redemption, or otherwise available, is insufficient to pay the redemption price and accrued interest on the Series 2019 Bonds so called for redemption on the redemption date, the Trustee shall redeem and pay on such date an amount of such Series 2019 Bonds for which such funds are sufficient, selecting the Series 2019 Bonds to be redeemed by lot from among all such Series 2019 Bonds called for redemption on such date, and among different maturities of Series 2019 Bonds in the same manner as the initial selection of Series 2019 Bonds to be redeemed, and from and after such redemption date, interest on the Series 2019 Bonds or portions thereof so paid shall cease to accrue and become payable; but interest on any Series 2019 Bonds or portions thereof not so paid shall continue to accrue until paid at the same rate as it would have had such Series 2019 Bonds not been called for redemption.

Partial Redemption of Series 2019 Bonds

Except to the extent otherwise provided in the Sixth Supplemental Indenture, if less than all of the Series 2019 Bonds of a maturity are to be redeemed, the Trustee shall select the particular Series 2019 Bonds or portions of the Series 2019 Bonds to be called for redemption by lot in such reasonable manner as the Trustee in its discretion may determine. In the case of any partial redemption of the Series 2019 Bonds pursuant to the Indenture, such redemption shall be effectuated by redeeming Series 2019 Bonds of such maturities in such manner as shall be specified by the District in writing, subject to the provisions of the Indenture. In the case of any partial redemption of Series 2019 Bonds pursuant to the Indenture, such redemption shall be effectuated by redeeming Series 2019 Bonds pro rata among the maturities, treating each date on which a Sinking Fund Installment is due as a separate maturity for such purpose, with the portion to be redeemed from each maturity being equal to the product of the aggregate principal amount of Series 2019 Bonds to be redeemed multiplied times a fraction the numerator of which is the principal amount of the Series 2019 Bonds of such maturity outstanding immediately prior to the redemption date and the denominator of which is the aggregate principal amount of all Series 2019 Bonds outstanding immediately prior to the redemption date.

Purchase of Series 2019 Bonds

At the written direction of the District, the Trustee shall apply moneys from time to time available in the Series 2019 Sinking Fund Account to the purchase of Series 2019 Bonds at prices not higher than the principal amount thereof, in lieu of redemption, provided that firm purchase commitments can be made before the notice of redemption would otherwise be required to be given.

Book-Entry System

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Series 2019 Bonds. The Series 2019 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2019 Bond certificate will be issued for each maturity of the Series 2019 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A

of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2019 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2019 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2019 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2019 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2019 Bonds, except in the event that use of the book-entry system for the Series 2019 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2019 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2019 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2019 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2019 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2019 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2019 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2019 Bond documents. For example, Beneficial Owners of Series 2019 Bonds may wish to ascertain that the nominee holding the Series 2019 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2019 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2019 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2019 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and interest payments on the Series 2019 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Trustee, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District and/or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2019 Bonds at any time by giving reasonable notice to the District or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Series 2019 Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Series 2019 Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system information has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS

General

THE SERIES 2019 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY OUT OF THE PLEDGED REVENUES PLEDGED THEREFOR UNDER THE INDENTURE AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE DISTRICT, THE COUNTY, THE STATE OF FLORIDA (THE "STATE") OR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE SERIES 2019 BONDS, EXCEPT THAT THE DISTRICT IS OBLIGATED UNDER THE INDENTURE TO LEVY, AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION, SERIES 2019 SPECIAL ASSESSMENTS TO SECURE AND PAY THE SERIES 2019 BONDS. THE SERIES 2019 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE

DISTRICT, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

The Series 2019 Bonds are payable from and secured solely by the Pledged Revenues. The Pledged Revenues shall mean with respect to the Series 2019 Bonds (a) all revenues received by the District from the Series 2019 Special Assessments (as defined herein) levied and collected on that portion of the District Lands benefitted by the Phase 7 and Phase 8 Projects, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2019 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2019 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture; provided, however, that Pledged Revenues do not include (A) any moneys transferred to the Rebate Fund, or investment earnings thereon and (B) "special assessments" levied and collected by the District under Section 190.022 of the Act for maintenance purposes or "maintenance special assessments" levied and collected by the District under Section 190.021(3) of the Act (it being expressly understood that the lien and pledge of the Indenture does not apply to any of the moneys described in the foregoing clauses (A) and (B) of this proviso).

The Series 2019 Special Assessments consist of the non-ad valorem special assessments that will be imposed and levied by the District against that portion of the District Lands specially benefitted by the Phase 7 and Phase 8 Projects or any portion thereof, pursuant to Section 190.022 of the Act, and the Assessment Resolutions (as defined in the Indenture) and the proceedings conducted by the District in connection therewith. Non-ad valorem assessments are not based on millage and are not taxes, but can become a lien against the homestead as permitted in Section 4, Article X of the Florida State Constitution. The respective Series 2019 Special Assessments will constitute a lien against the land as to which the respective Series 2019 Special Assessments are imposed. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein.

The Series 2019 Special Assessments will be levied, in an amount corresponding to the debt service on the Series 2019 Bonds, on the basis of benefit received by such property as a result of the Phase 7 and Phase 8 Projects. The Assessment Methodology (as hereinafter defined), which describes the methodology for allocating the Series 2019 Special Assessments to a portion of the lands within the District, is included as Appendix D hereto.

Additional Obligations

In the Indenture, the District will covenant that so long as there are any Series 2019 Bonds Outstanding and the Series 2019 Special Assessments have not been Substantially Absorbed, the District shall not issue Bonds or other debt obligations, other than refunding bonds, secured by Special Assessments for capital projects on the District Lands subject to the Series 2019 Special Assessments. "Substantially Absorbed" shall mean the date on which a principal amount of the Series 2019 Special Assessments equaling at least seventy- five percent (75%) of the then Outstanding principal amount of the Series 2019 Bonds are levied on the District Lands with respect to which a certificate of occupancy has been issued for a structure thereon. Satisfaction of the foregoing definition shall be evidenced by the delivery by the District to the Trustee of a written certificate of the Methodology Consultant to such effect and upon which the Trustee may conclusively rely. The District will further covenant in the Indenture that so long as there are any Series 2019 Bonds Outstanding, it shall not cause or permit to be caused any lien, charge or claim against the Pledged Revenues, except for refunding bonds.

Subject to the limitations on the District set forth above, the District and/or other public entities may impose taxes or other special assessments on the same properties encumbered by the Series 2019 Special Assessments without the consent of the Owners of the Series 2019 Bonds. The District anticipates

issuing additional bonds (the "Additional Bonds") to fund other portions of its CIP, which Additional Bonds will be secured by special assessments on District lands separate and distinct from the District Lands upon which the Series 2019 Special Assessments are imposed. See "THE CAPITAL IMPROVEMENT PLAN AND THE PHASE 7 AND PHASE 8 PROJECTS" and "THE DEVELOPMENT – Development Status of the Series 2019 Special Assessment Area" herein. Additionally, the District expects to impose certain non-ad valorem special assessments called maintenance assessments, which are of equal dignity with the Series 2019 Special Assessments, on the same lands upon which the Series 2019 Special Assessments are imposed, to fund the maintenance and operation of the District. See "BONDOWNERS' RISKS" herein.

Covenant Against Sale or Encumbrance

In the Master Indenture, the District has covenanted that (a) except for those improvements comprising a Project (as defined in the Master Indenture) that are to be conveyed by the District to the County, the State or another governmental entity and (b) except as otherwise permitted in the Master Indenture, it will not sell, lease or otherwise dispose of or encumber a Project or any part thereof. The District may, however, from time to time, sell any machinery, fixtures, apparatus, tools, instruments or other movable property acquired by it from the proceeds of the Series 2019 Bonds or from Pledged Revenues if the District Manager shall determine, with the approval of the Consulting Engineer, that such items are no longer needed or are no longer useful in connection with the construction, maintenance and operation of the Phase 7 and Phase 8 Projects, and the proceeds thereof shall be applied to the replacement of the properties so sold or disposed of or, at the written direction of the District shall be deposited to the credit of the Series 2019 Revenue Account. See "APPENDIX A: COPY OF MASTER TRUST INDENTURE AND PROPOSED FORM OF SIXTH SUPPLEMENTAL TRUST INDENTURE" hereto.

Series 2019 Acquisition and Construction Account

The Sixth Supplemental Indenture establishes a separate account within the Acquisition and Construction Fund designated as the "Series 2019 Acquisition and Construction Account." Proceeds of the Series 2019 Bonds shall be deposited into the Series 2019 Acquisition and Construction Account in the amount set forth in the Sixth Supplemental Indenture, together with any excess moneys transferred to the Series 2019 Acquisition and Construction Account, and such moneys in the Series 2019 Acquisition and Construction Account shall be applied as set forth in the Indenture.

After the Completion Date of the Phase 7 and Phase 8 Projects and after retaining in the Series 2019 Acquisition and Construction Account the amount, if any, of all remaining unpaid Costs of the Phase 7 and Phase 8 Projects set forth in the Engineers' Certificate establishing such Completion Date, any funds remaining in the Series 2019 Acquisition and Construction Account, and any subaccounts therein, shall be transferred to and deposited into the Series 2019 General Account of the Series 2019 Bond Redemption Fund and applied to the extraordinary mandatory redemption of the Series 2019 Bonds. See "DESCRIPTION OF THE SERIES 2019 BONDS – Redemption Provisions – Extraordinary Mandatory Redemption" herein.

Series 2019 Retainage Subaccount

There is established pursuant to the Indenture within the Series 2019 Acquisition and Construction Account of the Acquisition and Construction Fund held by the Trustee a "Series 2019 Retainage Subaccount." Amounts on deposit in the Series 2019 Retainage Subaccount of the Series 2019 Acquisition and Construction Account shall be retained therein and shall not be available to pay Costs of the Phase 7 and 8 Projects, unless and until the District shall have delivered to the Trustee a certificate, on which the Trustee may conclusively rely in the form attached to the Sixth Supplemental Indenture (which certificate (i) certifies that the Expansion Parcel has been annexed into the District and that Series 2019 Special

Assessments have been imposed and levied on such lands within the Expansion Parcel; (ii) sets forth the aggregate principal amount of such Series 2019 Special Assessments imposed on lands within the Expansion Parcel; (iii) certifies that the District and Developer have executed certain closing agreements or amendments thereto; and (iv) sets forth the amount to be transferred from the Series 2019 Retainage Subaccount into the Series 2019 Acquisition and Construction Account to be used for the purposes of such Account and closes the Series 2019 Retainage Subaccount) and then the Trustee shall transfer all amounts on deposit in the Series 2019 Retainage Subaccount to the Series 2019 Acquisition and Construction Account and close the Series 2019 Retainage Subaccount all as provided in the certificate. If the Trustee has not received the certificate on or before September [], 2020, any amounts in the Series 2019 Retainage Subaccount in the Series 2019 Acquisition and Construction Account on September 15, 2020, shall be transferred to and deposited in the Series 2019 Prepayment Account in the Series 2019 Bond Redemption Fund and applied to the extraordinary mandatory redemption of the Series 2019 Bonds on November 1, 2020, in the manner described in "DESCRIPTION OF THE SERIES 2019 BONDS – Redemption Provisions – Extraordinary Mandatory Redemption" herein and then close the Series 2019 Retainage Subaccount.

Series 2019 Debt Service Reserve Account

The Indenture creates a Series 2019 Debt Service Reserve Account within the Debt Service Reserve Fund solely for the benefit of the Series 2019 Bonds. Series 2019 Debt Service Reserve Account will be funded in the amount of the Debt Service Reserve Requirement for the Series 2019 Bonds. Pursuant to the Indenture, the "Debt Service Reserve Requirement" shall mean, with respect to the Series 2019 Bonds, an amount, as calculated from time to time, equal to fifty percent (50%) of the maximum annual Debt Service Requirement for the Series 2019 Bonds, which is initially \$ _____.

On the date that is forty-five (45) days prior to each Quarterly Redemption Date (or, if such date is not a Business Day, on the Business Day next preceding such day), the Trustee will determine the amount on deposit in the Series 2019 Debt Service Reserve Account and transfer any excess therein (except for excess resulting from interest earnings) above the Debt Service Reserve Requirement for the Series 2019 Bonds as follows: (A) prior to the Completion Date of the Phase 7 and Phase 8 Projects, to the Series 2019 Acquisition and Construction Account of the Acquisition and Construction Fund, and (B) on and after the Completion Date of the Phase 7 and Phase 8 Projects, such amounts shall be retained in the Series 2019 Debt Service Reserve Account until otherwise applied as set forth in the Indenture, including redemption in accordance with the Indenture.

Notwithstanding the foregoing paragraph, so long as no Event of Default has occurred and has not been cured, upon an optional prepayment by the owner of a lot or parcel of land of a Series 2019 Special Assessment against such lot or parcel as provided in the Sixth Supplemental Indenture, the District shall determine the Debt Service Reserve Requirement for the Series 2019 Bonds taking into account such optional prepayment and shall direct the Trustee to transfer any amount on deposit in the Series 2019 Debt Service Reserve Account in excess thereof (except for excess resulting from interest earnings) from the Series 2019 Debt Service Reserve Account to the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund, as a credit against the Series 2019 Prepayment Principal otherwise required to be made by the owner of such lot or parcel.

"Completion Date" shall mean the date of completion of the Phase 7 and Phase 8 Projects, as evidenced by the delivery of a Certificate of the Consulting Engineer and adoption of a resolution by the Board accepting the Phase 7 and Phase 8 Projects as provided by Section 170.09, Florida Statutes, as amended.

Application of the Pledged Revenues

Pursuant to the Indenture, the Trustee shall transfer from amounts on deposit in the Series 2019 Revenue Account to the Funds and Accounts described below, the following amounts, at the following times and in the following order of priority:

FIRST, not later than the Business Day preceding each February 1, May 1, August 1 and November 1, to the Series 2019 Interest Subaccount of the Debt Service Fund, an amount from the Series 2019 Revenue Account equal to the interest on the Series 2019 Bonds due on such February 1, May 1, August 1 or November 1, if any, less any amounts on deposit in the Series 2019 Interest Subaccount not previously credited;

SECOND, no later than the Business Day next preceding each November 1, to the Series 2019 Principal Account of the Debt Service Fund, an amount from the Series 2019 Revenue Account equal to the principal amount of Series 2019 Bonds Outstanding maturing on such November 1, if any, less any amounts on deposit in the Series 2019 Principal Account not previously credited;

THIRD, no later than the Business Day next preceding each November 1, to the Series 2019 Sinking Fund Account of the Debt Service Fund, an amount from the Series 2019 Revenue Account equal to the principal amount of Series 2019 Bonds subject to sinking fund redemption on such November 1, less any amount on deposit in the Series 2019 Sinking Fund Account not previously credited;

FOURTH, upon receipt but no later than the Business Day next succeeding each Interest Payment Date, to the Series 2019 Debt Service Reserve Account, an amount from the Series 2019 Revenue Account equal to the amount, if any, which is necessary to make the amount on deposit therein equal to the Debt Service Reserve Requirement for the Series 2019 Bonds;

FIFTH, on the forty-fifth (45th) day preceding a Quarterly Redemption Date (or if such day is not a Business day on the Business Day preceding such forty-fifth (45th) day), the Trustee shall determine the amount on deposit in the Series 2019 Prepayment Account, and, if the balance therein is greater than zero, shall transfer from the Series 2019 Revenue Account for deposit into the Series 2019 Prepayment Account an amount sufficient to increase the amount on deposit therein, to an integral multiple of \$5,000 provided that there are sufficient funds remaining therein to pay debt service coming due on the Series 2019 Bonds on such Quarterly Redemption Date, if any; and

SIXTH, the balance of any moneys remaining after making the foregoing deposits shall remain in the Series 2019 Revenue Account and applied on subsequent dates for the purposes and in the priority set forth above, unless pursuant to the Arbitrage Certificate it is necessary to make a deposit into the Rebate Fund, in which case the District shall direct the Trustee to make such deposit thereto.

Investments or Deposit of Funds

The Trustee shall, as directed by the District in writing, invest moneys held in the Series Accounts in the Debt Service Fund and any Series Account within the Bond Redemption Fund only in Government Obligations and certain types of securities listed in the Indenture within the definition of Investment Securities. The Trustee shall, as directed by the District in writing, invest moneys held in the Series 2019 Debt Service Reserve Account in Investment Securities. All deposits in time accounts shall be subject to

withdrawal without penalty and all investments shall mature or be subject to redemption by the holder without penalty, not later than the date when the amounts will foreseeably be needed for purposes set forth in the Indenture. All securities securing investments under the Indenture shall be deposited with a Federal Reserve Bank, with the trust department of the Trustee, as authorized by law with respect to trust funds in the State, or with a bank or trust company having a combined net capital and surplus of not less than \$50,000,000. The interest and income received upon such investments and any interest paid by the Trustee or any other depository of any Fund or Account and any profit or loss resulting from the sale of securities shall be added or charged to the Fund or Account for which such investments are made; provided, however, that if the amount in any Fund or Account equals or exceeds the amount required to be on deposit therein, subject to the Indenture, any interest and other income so received shall be deposited in the related Series account of the Revenue Fund (provided that any investment earnings on the Series 2019 Debt Service Reserve Account shall be applied, prior to the Completion Date of the Phase 7 and Phase 8 Projects, to the Series 2019 Acquisition and Construction Account; and further provided that, if there exists an Event of Default with respect to the Series 2019 Bonds, such investment earnings shall be retained in the Series 2019 Debt Service Reserve Account and be applied as provided in the Indenture). Upon written request of the District, or on its own initiative whenever payment is to be made out of any Fund or Account, the Trustee shall sell such securities as may be requested to make the payment and restore the proceeds to the Fund or Account in which the securities were held. The Trustee shall not be accountable for any depreciation in the value of any such security or for any loss resulting from the sale thereof, except as provided in the Indenture. If net proceeds from the sale of securities held in any Fund or Account shall be less than the amount invested and, as a result, the amount on deposit in such Fund or Account is less than the amount required to be on deposit in such Fund or Account, the amount of such deficit shall be transferred to such Fund or Account from the related Series Account of the Revenue Fund.

Absent specific instructions as aforesaid, all moneys in the Funds and Accounts established under the Indenture shall be invested in investments of the nature described in the Indenture. The Trustee shall not be liable or responsible for any loss or entitled to any gain resulting from any investment or sale upon the investment instructions of the District or otherwise, including that set forth in the first sentence of this paragraph. The Trustee may make any investments permitted by the Indenture through its own bond department or brokerage division. See "APPENDIX A: COPY OF MASTER TRUST INDENTURE AND PROPOSED FORM OF SIXTH SUPPLEMENTAL TRUST INDENTURE" hereto.

Covenant to Levy the Series 2019 Special Assessments

The District will covenant to comply with the terms of the proceedings heretofore adopted with respect to the Series 2019 Special Assessments, including the Assessment Resolution and the Assessment Methodology, and to levy the Series 2019 Special Assessments and any required true-up payments set forth in the Assessment Methodology, in such manner as will generate funds sufficient to pay the principal of and interest on the Series 2019 Bonds, when due. The Assessment Methodology shall not be amended without written consent of the Majority Owners except as otherwise provided therein or in the Sixth Supplemental Indenture. If any Series 2019 Special Assessment shall be either in whole or in part annulled, vacated or set aside by the judgment of any court, or if the District shall be satisfied that any such Series 2019 Special Assessment is so irregular or defective that the same cannot be enforced or collected, or if the District shall have omitted to make such Series 2019 Special Assessment when it might have done so, the District has additionally covenanted to either (i) take all necessary steps to cause a new Series 2019 Special Assessment to be made for the whole or any part of such improvement or against any property benefited by such improvement, or (ii) in its sole discretion, make up the amount of such Series 2019 Special Assessment from legally available moneys, which moneys shall be deposited into the Series 2019 Revenue Account. In case any such second special assessment shall be annulled, the District shall obtain and make other Series 2019 Special Assessments until a valid Series 2019 Special Assessment shall be made.

Prepayment of Series 2019 Special Assessments

[Pursuant to the assessment proceedings, an owner of property subject to the Series 2019 Special Assessments may pay all or a portion of the principal balance of such Series 2019 Special Assessments remaining due, if there is also paid an amount equal to the interest that would otherwise be due on the next succeeding Interest Payment Date for the Series 2019 Bonds, subject to certain time periods set forth in the assessment proceedings.]

Pursuant to the Act and the assessment proceedings, an owner of property subject to the levy of Series 2019 Special Assessments may pay the entire balance of the Series 2019 Special Assessments remaining due, without interest, within thirty (30) days after the Phase 7 and Phase 8 Projects have been completed or acquired by the District, and the Board has adopted a resolution accepting the Phase 7 and Phase 8 Projects pursuant to Chapter 170.09, Florida Statutes. [The Developer, as the owner of all of the property within the Series 2019 Special Assessment Area, will covenant to waive this right on behalf of itself and its respective successors and assigns in connection with the issuance of the Series 2019 Bonds.]

The Series 2019 Bonds are subject to extraordinary mandatory redemption as indicated under "DESCRIPTION OF THE SERIES 2019 BONDS - Redemption Provisions - Extraordinary Mandatory Redemption" from optional prepayments of Series 2019 Special Assessments by property owners. The prepayment of Series 2019 Special Assessments does not entitle the owner of the property to a discount for early payment. See "THE DEVELOPMENT – Taxes, Fees and Assessments" herein.

Indenture Provisions Relating to Bankruptcy or Insolvency of Landowner

The Indenture contains the following provisions, which pursuant to the Indenture, shall be applicable both before and after the commencement, whether voluntary or involuntary, of any case, proceeding or other action by or against any owner of any tax parcel subject to the Series 2019 Special Assessments (an "Insolvent Taxpayer") under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, assignment for the benefit of creditors, or relief of debtors (a "Proceeding") except where such tax parcel shall be homestead property. For as long as any Series 2019 Bonds remain outstanding, in any Proceeding involving the District, any Insolvent Taxpayer, the Series 2019 Bonds or the Series 2019 Special Assessments, the District shall be obligated to act in accordance with direction from the Trustee with regard to all matters directly or indirectly affecting the Series 2019 Bonds or for as long as any Series 2019 Bonds remain Outstanding.

The District has acknowledged and agreed in the Indenture that, although the Series 2019 Bonds were issued by the District, the Owners of the Series 2019 Bonds are categorically a party with a financial stake in the transaction and, consequently, the party with a vested interest in a Proceeding. In the event of any Proceeding involving any Insolvent Taxpayer: (a) the District has agreed that it shall not make any election, give any consent, commence any action or file any motion, claim, obligation, notice or application or take any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Series 2019 Special Assessments, the Series 2019 Bonds or any rights of the Trustee under the Indenture that is inconsistent with any direction from the Trustee; (b) the Trustee shall have the right, but is not obligated to, (i) vote in any such Proceeding any and all claims of the District, except for any claims the District may have related to the District's operation and maintenance assessments or other claims unrelated to the Series 2019 Special Assessments or such Series 2019 Bonds, or (ii) file any motion, pleading, plan or objection in any such Proceeding on behalf of the District, except for any claims the District may have related to the District's operation and maintenance assessments or other claims unrelated to the Series 2019 Special Assessments or such Series 2019 Bonds, including without limitation, motions seeking relief from the automatic stay, dismissal of the Proceeding, valuation of the property belonging to the Insolvent Taxpayer, termination of exclusivity, and objections to disclosure statements,

plans of liquidation or reorganization, and motions for use of cash collateral, seeking approval of sales or post-petition financing; and, if the Trustee chooses to exercise any such rights, the District shall be deemed to have appointed the Trustee as its agent and granted to the Trustee an irrevocable power of attorney coupled with an interest, and its proxy, for the purpose of exercising any and all rights and taking any and all actions available to the District in connection with any Proceeding of any Insolvent Taxpayer, including, without limitation, the right to file and/or prosecute any claims, to propose and prosecute a plan, to vote to accept or reject a plan, and to make any election under Section 1111(b) of the Bankruptcy Code; and (c) the District shall not challenge the validity or amount of any claim submitted in such Proceeding by the Trustee in good faith or any valuations of the lands owned by any Insolvent Taxpayer submitted by the Trustee in good faith in such Proceeding or take any other action in such Proceeding, which is adverse to Trustee's enforcement of the District claim and rights with respect to the Series 2019 Special Assessments or receipt of adequate protection (as that term is defined in the Bankruptcy Code). Without limiting the generality of the foregoing, the District has agreed that the Trustee shall have the right (i) to file a proof of claim with respect to the Series 2019 Special Assessments, (ii) to deliver to the District a copy thereof, together with evidence of the filing with the appropriate court or other authority, and (iii) to defend any objection filed to said proof of claim.

Notwithstanding the provisions of proviso (a) in the preceding paragraph, nothing in the above provisions shall preclude the District from becoming a party to a Proceeding in order to enforce a claim for operation and maintenance assessments, and the District shall be free to pursue such a claim in such manner as it shall deem appropriate in its sole and absolute discretion. Any actions taken by the District in pursuance of its claim for operation and maintenance assessments in any Proceeding shall not be considered an action adverse or inconsistent with the Trustee's rights or directions with respect to the Series 2019 Special Assessments whether such claim is pursued by the District or the Trustee.

Events of Default and Remedies

The Indenture provides that each of the following shall be an "Event of Default" under the Indenture, with respect to the Series 2019 Bonds:

- (a) if payment of any installment of interest on any Series 2019 Bonds is not made when it becomes due and payable; or
- (b) if payment of the principal or Redemption Price of the Series 2019 Bonds is not made when it becomes due and payable at maturity or upon call or presentation for redemption; or
- (c) if the District, for any reason is rendered incapable of fulfilling its obligations under the Indenture or under the Act; or
- (d) if the District proposes or makes an assignment for the benefit of creditors or enters into a composition agreement with all or a material part of its creditors, or a trustee, receiver, executor, conservator, liquidator, sequestrator or other judicial representative, similar or dissimilar, is appointed for the District or any of its assets or revenues, or there is commenced any proceeding in liquidation, bankruptcy, reorganization, arrangement of debts, debtor rehabilitation, creditor adjustment or insolvency, local, state or federal, by or against the District and if such is not vacated, dismissed or stayed on appeal within ninety (90) days; or
- (e) if the District defaults in the due and punctual performance of any other covenant in the Indenture or in the Series 2019 Bonds issued pursuant to the Indenture and such default continues for sixty (60) days after written notice requiring the same to be remedied shall have been given to the District by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the

Holders of not less than a majority in aggregate principal amount of the Outstanding Series 2019 Bonds; provided, however, that if such performance requires work to be done, actions to be taken, or conditions to be remedied, which by their nature cannot reasonably be done, taken or remedied, as the case may be, within such sixty (60) day period, no Event of Default shall be deemed to have occurred or exist if, and so long as the District shall commence such performance within such sixty (60) day period and shall diligently and continuously prosecute the same to completion; or

(f) The Trustee withdraws or is authorized to withdraw more than ten percent (10%) of the available funds (regardless of whether the Trustee does or does not, per the direction of a majority of the Owners of the outstanding Series 2019 Bonds, actually make such withdrawal), from the Series 2019 Debt Service Reserve Account established to pay Debt Service Requirements for the Series 2019 Bonds; or

(g) More than twenty-five percent (25%) of the operation and maintenance assessments levied and collected directly by the District are not paid by the date such are due and payable ("Delinquent Direct Billed Operation and Maintenance Assessments").

No Series of Bonds issued under the Master Indenture shall be subject to acceleration. If any Event of Default with respect to the Series 2019 Bonds has occurred and is continuing, the Trustee, in its discretion may, and upon the written request of the Holders of not less than a majority of the aggregate principal amount of the Outstanding Series 2019 Bonds and receipt of indemnity to its satisfaction shall, in its own name:

(a) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Holders of the Series 2019 Bonds, including, without limitation, the right to require the District to carry out any agreements with, or for the benefit of, the Bondholders of the Series 2019 Bonds and to perform its or their duties under the Act;

(b) bring suit upon the Series 2019 Bonds;

(c) by action or suit in equity require the District to account as if it were the trustee of an express trust for the Holders of the Series 2019 Bonds;

(d) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Holders of the Series 2019 Bonds; and

(e) by other proceeding in law or equity, exercise all rights and remedies provided for by any other document or instrument securing the Series 2019 Bonds.

If any proceeding taken by the Trustee on account of any Event of Default is discontinued or is determined adversely to the Trustee, the District, the Trustee, the Paying Agent and the Bondholders shall be restored to their former positions and rights under the Master Indenture as though no such proceeding had been taken.

The Holders of a majority in aggregate principal amount of the Outstanding Series 2019 Bonds then subject to remedial proceedings under Article X of the Master Indenture shall have the right to direct the method and place of conducting all remedial proceedings by the Trustee under the Indenture, provided that such directions shall not be otherwise than in accordance with law or the provisions of the Indenture.

The District has covenanted and agreed that upon the occurrence and continuance of an Event of Default, it will take such actions to enforce the remedial provisions of the Indenture, the provisions for the collection of delinquent Special Assessments, the provisions for the foreclosure of liens of delinquent

Special Assessments, and will take such other appropriate remedial actions as shall be directed by the Trustee acting at the direction of, and on behalf of, a majority of the Owners, from time to time, of the Series 2019 Bonds. Notwithstanding anything to the contrary in the Indenture, and unless otherwise directed by a majority of the Owners and allowed pursuant to Federal or State law, the District has acknowledged and agreed that (i) upon failure of any property owner to pay an installment of Series 2019 Special Assessments collected directly by the District when due, that the entire Series 2019 Special Assessments on the tax parcel as to which such delinquent Series 2019 Special Assessments pertains, with interest and penalties thereon, shall immediately become due and payable and the District shall promptly, but in any event within thirty (30) days, cause to be commenced the necessary legal proceedings for the foreclosure of liens of delinquent Series 2019 Special Assessments with respect to such tax parcel, including interest and penalties and (ii) the foreclosure proceedings shall be prosecuted to a sale and conveyance of the property involved in said proceedings as now provided by law in suits to foreclose mortgages. See "APPENDIX A: COPY OF MASTER TRUST INDENTURE AND PROPOSED FORM OF SIXTH SUPPLEMENTAL TRUST INDENTURE".

ENFORCEMENT OF ASSESSMENT COLLECTIONS

General

The primary source of payment for the Series 2019 Bonds is the Series 2019 Special Assessments imposed on certain lands in the District specially benefited by the Phase 7 and Phase 8 Projects pursuant to the Assessment Proceedings. See "ASSESSMENT METHODOLOGY" herein and "APPENDIX D: ASSESSMENT METHODOLOGY."

The determination, order, levy, and collection of Series 2019 Special Assessments must be done in compliance with procedural requirements and guidelines provided by State law. Failure by the District, the Collier County Tax Collector (the "Tax Collector") or the Collier County Property Appraiser (the "Property Appraiser") to comply with such requirements could result in delay in the collection of, or the complete inability to collect, Series 2019 Special Assessments during any year. Such delays in the collection of Series 2019 Special Assessments, or complete inability to collect any Series of the Series 2019 Special Assessments, would have a material adverse effect on the ability of the District to make full or punctual payment of the debt service requirements on the Series 2019 Bonds. See "BONDOWNERS' RISKS." To the extent that landowners fail to pay the Series 2019 Special Assessments, delay payments, or are unable to pay the same, the successful pursuance of collection procedures available to the District is essential to continued payment of principal of and interest on the Series 2019 Bonds. The Act provides for various methods of collection of delinquent Series 2019 Special Assessments by reference to other provisions of the Florida Statutes. The following is a description of certain statutory provisions of assessment payment and collection procedures appearing in the Florida Statutes but is qualified in its entirety by reference to such statutes.

Alternative Uniform Tax Collection Procedure for Series 2019 Special Assessments

At such time as the Series 2019 Special Assessments are collected pursuant to the Uniform Method of collection, the provisions of this section shall become applicable. The Florida Statutes provide that, subject to certain conditions, non-ad valorem special assessments may be collected by using the uniform method (the "Uniform Method") of collection. The Uniform Method of collection is available only in the event the District complies with statutory and regulatory requirements and enters into agreements with the Tax Collector and Property Appraiser providing for the Series 2019 Special Assessments to be levied and then collected in this manner. The District's election to use a certain collection method with respect to the Series 2019 Special Assessments does not preclude it from electing to use another collection method in the

future. See "Foreclosure" below with respect to collection of delinquent assessments not collected pursuant to the Uniform Method.

If the Uniform Method of collection is utilized, the Series 2019 Special Assessments will be collected together with County, special district, and other ad valorem taxes and non-ad valorem assessments, all of which will appear on the tax bill (also referred to as a "tax notice") issued to each landowner in the District. The statutes relating to enforcement of ad valorem taxes and non-ad valorem assessments provide that such taxes and assessments become due and payable on November 1 of the year when assessed, or as soon thereafter as the 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 and assessments (including the Series 2019 Special Assessments, if any, 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 Series 2019 Special Assessments. Upon any receipt of moneys by the Tax Collector from the Series 2019 Special Assessments, such moneys will be delivered to the District, which will remit such Series 2019 Special Assessments to the Trustee for deposit to the Series 2019 Revenue Account within the Revenue Fund, except that any Prepayments of Series 2019 Special Assessments shall be deposited to the Series 2019 Prepayment Account in the Bond Redemption Fund created under the Indenture and applied in accordance therewith.

All County, school and special district, including the District, ad valorem taxes, non-ad valorem special assessments, including the Series 2019 Special Assessments, and voter-approved ad valorem taxes levied to pay principal of and interest on bonds, are payable at one time, except for partial payment schedules as may be provided by Sections 197.374 and 197.222, Florida Statutes. Partial payments made pursuant to Sections 197.374 and 197.222, Florida Statutes, are distributed in equal proportion to all taxing districts and levying authorities applicable to that account. 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. In such cases, the Tax Collector does not accept such partial payment and the partial payment is returned to the taxpayer. Therefore, in the event the Series 2019 Special Assessments are to be collected pursuant to the Uniform Method, any failure to pay any one line item would cause the Series 2019 Special Assessments to not be collected to that extent, which could have a significant adverse effect on the ability of the District to make full or punctual payment of the debt service requirements on the Series 2019 Bonds.

Under the Uniform Method, if the Series 2019 Special Assessments are paid during November when due 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. All unpaid taxes and assessments become delinquent on April 1 of the year following assessment. The Tax Collector is required to collect the ad valorem taxes and non-ad valorem special assessments on the tax bill prior to April 1 and, after that date, to institute statutory procedures upon delinquency to collect such taxes and assessments through the sale of "tax certificates," as discussed below. Delay in the mailing of tax notices to taxpayers may result in a delay throughout this process.

Neither the District nor the Underwriter can give any assurance to the holders of the Series 2019 Bonds (1) that the past experience of the Tax Collector with regard to tax and special assessment delinquencies is applicable in any way to the Series 2019 Special Assessments, (2) that future landowners and taxpayers in the District will pay such Series 2019 Special Assessments, (3) that a market may exist in the future for tax certificates in the event of sale of such certificates for taxable units within the District, and (4) that the eventual sale of tax certificates for real property within the District, if any, will be for an amount sufficient to pay amounts due under the Assessment Proceedings to discharge the lien of the Series 2019 Special Assessments and all other liens that are coequal therewith.

Collection of delinquent Series 2019 Special 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 Series 2019 Special Assessments due. In the event of a delinquency in the payment of taxes and assessments on real property, the landowner may, prior to the sale of tax certificates, pay the total amount of delinquent ad valorem taxes and non-ad valorem assessments plus the cost of advertising and the applicable interest charge on the amount of such delinquent taxes and assessments. If the landowner does not act, the Tax Collector is required to attempt to sell tax certificates on such property to the person who pays the delinquent taxes and assessments owing, penalties and interest thereon and certain costs, and who accepts the lowest interest rate per annum to be borne by the certificates (but not more than 18%). Tax certificates are sold by public bid. If there are no bidders, the tax certificate is issued to the County. The County is to hold, but not pay for, the tax certificate with respect to the property, bearing interest at the maximum legal rate of interest (currently 18%). The Tax Collector does not collect any money if tax certificates are "struck off" (issued) to the County. The County may sell such certificates to the public at any time at the principal amount thereof plus interest at the rate of not more than 18% per annum and a fee. Proceeds from the sale of tax certificates are required to be used to pay taxes and assessments (including the Series 2019 Special Assessments), interest, costs and charges on the real property described in the certificate. The demand for such certificates is dependent upon various factors, which include the rate of interest that can be earned by ownership of such certificates and the underlying value of the land that is the subject of such certificates and which may be subject to sale at the demand of the certificate holder. Therefore, the underlying market value of the property within the District may affect the demand for certificates and the successful collection of the Series 2019 Special Assessments, which are the primary source of payment of the Series 2019 Bonds. Legal proceedings under Federal bankruptcy law brought by or against a landowner who has not yet paid his or her property taxes or assessments would likely result in a delay in the sale of tax certificates.

Any tax certificate in the hands of a person other than the County may be redeemed and canceled, in whole or in part (under certain circumstances), at any time before a tax deed is issued or the property is placed on the list of lands available for sale, at a price equal to the face amount of the certificate or portion thereof together with all interest, costs, charges and omitted taxes due. Regardless of the interest rate actually borne by the certificates, persons redeeming tax certificates must pay a minimum interest rate of 5%, unless the rate borne by the certificates is zero percent. The proceeds of such a redemption are paid to the Tax Collector who transmits to the holder of the tax certificate such proceeds less service charges, and the certificate is canceled. Redemption of tax certificates held by the County is effected by purchase of such certificates from the County, as described in the preceding paragraph.

Any holder, other than the County, of a tax certificate that has not been redeemed has seven years from the date of issuance of the tax certificate during which to act against the land that is the subject of the tax certificate. After an initial period ending two years from April 1 of the year of issuance of a certificate, during which period actions against the land are held in abeyance to allow for sales and redemptions of tax certificates, and before the expiration of seven years from the date of issuance, the holder of a certificate may apply for a tax deed to the subject land. The applicant is required to pay to the Tax Collector at the time of application all amounts required to redeem or purchase all outstanding tax certificates covering the land, plus interest, any omitted taxes or delinquent taxes and interest, and current taxes, if due. If the County holds a tax certificate on property valued at \$5,000 or more and has not succeeded in selling it, the County must apply for a tax deed two years after April 1 of the year of issuance of the certificate. The County pays costs and fees to the Tax Collector but not any amount to redeem any other outstanding certificates covering the land. Thereafter, the property is advertised for public sale.

In any such public sale conducted by the Clerk of the Circuit Court, the private holder of the tax certificate who is seeking a tax deed for non-homestead property is deemed to submit a minimum bid equal to the amount required to redeem the tax certificate, charges for the cost of sale, including costs incurred

for the service of notice required by statute, redemption of other tax certificates on the land, and the amount paid by such holder in applying for the tax deed, plus interest thereon. In the case of homestead property, the minimum bid is also deemed to include, in addition to the amount of money required for the minimum bid on non-homestead property, an amount equal to one-half of the latest assessed value of the homestead. If there are no higher bids, the holder receives title to the land, and the amounts paid for the certificate and in applying for a tax deed are credited toward the purchase price. If there are other bids, the holder may enter the bidding. The highest bidder is awarded title to the land. The portion of proceeds of such sale needed to redeem the tax certificate, and all other amounts paid by such person in applying for a tax deed, are forwarded to the holder thereof or credited to such holder if such holder is the successful bidder. Excess proceeds are distributed first to satisfy governmental liens against the land and then to the former title holder of the property (less service charges), lienholder of record, mortgagees of record, vendees of recorded contracts for deeds, and other lienholders and any other person to whom the land was last assessed on the tax roll for the year in which the land was assessed, all as their interest may appear.

Except for certain governmental liens and certain restrictive covenants and restrictions, no right, interest, restriction or other covenant survives the issuance of a tax deed. Thus, for example, outstanding mortgages on property subject to a tax deed would be extinguished.

If there are no bidders at the public sale, the County may, at any time within ninety (90) days from the date of offering for public sale, purchase the land without further notice or advertising for a statutorily prescribed opening bid. After ninety (90) days have passed, any person or governmental unit may purchase the land by paying the amount of the opening bid. Ad valorem taxes and non-ad valorem assessments accruing after the date of public sale do not require repetition of the bidding process but are added to the minimum bid. Three years from the date of delinquency, unsold lands escheat to the County in which they are located, all tax certificates and liens against the property are canceled and a deed is executed vesting title in the governing board of such County.

Foreclosure

The following discussion regarding foreclosure is not applicable if the Series 2019 Special Assessments are being collected pursuant to the Uniform Method. In the event that the District, itself, directly levies and enforces, pursuant to Chapters 170 and 190, Florida Statutes, the collection of the Series 2019 Special Assessments levied on the land within the District, Chapter 170.10, Florida Statutes provides that upon the failure of any property owner to pay all or any part of the principal of a special assessment, including a Series 2019 Special Assessment, or the interest thereon, when due, the governing body of the entity levying the assessment is authorized to commence legal proceedings for the enforcement of the payment thereof, including commencement of an action in chancery, commencement of a foreclosure proceeding in the same manner as the foreclosure of a real estate mortgage, or commencement of an action under Chapter 173, Florida Statutes relating to foreclosure of municipal tax and special assessment liens. Such a proceeding is in rem, meaning that it is brought against the land not against the owner. In light of the one-year tolling period required before the District may commence a foreclosure action under Chapter 173, Florida Statutes, it is likely the District would commence an action to foreclose in the same manner as the foreclosure of a real estate mortgage rather than proceeding under Chapter 173, Florida Statutes.

Enforcement of the obligation to pay Series 2019 Special Assessments and the ability to foreclose the lien of such Series 2019 Special Assessments upon the failure to pay such Series 2019 Special Assessments may not be readily available or may be limited as such enforcement is dependent upon judicial action which is often subject to discretion and delay.

BONDOWNERS' RISKS

There are certain risks inherent in an investment in bonds issued by a public authority or governmental body in the State and secured by special assessments. Certain of these risks are described in other sections of this Limited Offering Memorandum. Certain additional risks are associated with the Series 2019 Bonds offered hereby and are set forth below. Prospective investors in the Series 2019 Bonds should have such knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of an investment in the Series 2019 Bonds and have the ability to bear the economic risks of such prospective investment, including a complete loss of such investment. This section does not purport to summarize all risks that may be associated with purchasing or owning the Series 2019 Bonds, and prospective purchasers are advised to read this Limited Offering Memorandum in its entirety for a more complete description of investment considerations relating to the Series 2019 Bonds.

Concentration of Land Ownership

As of the date of delivery of the Series 2019 Bonds, the Developer owns the majority of the assessable lands within the Series 2019 Special Assessment Area, which are the lands that will be subject to the Series 2019 Special Assessments securing the Series 2019 Bonds. Payment of the Series 2019 Special Assessments is primarily dependent upon their timely payment by the Developer and the other landowners in the Series 2019 Special Assessment Area. Non-payment of the Series 2019 Special Assessments by any of the landowners would have a substantial adverse impact upon the District's ability to pay debt service on the Series 2019 Bonds. See "THE Developer" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS" herein.

Bankruptcy and Related Risks

In the event of the institution of bankruptcy or similar proceedings with respect to the Developer or any other owner of benefited property, delays could occur in the payment of debt service on the Series 2019 Bonds, as such bankruptcy could negatively impact the ability of: (i) the Developer and any other landowner to pay the Series 2019 Special Assessments; (ii) the Tax Collector to sell tax certificates in relation to such property with respect to the Series 2019 Special Assessments being collected pursuant to the Uniform Method; and (iii) the District to foreclose the lien of the Series 2019 Special Assessments not being collected pursuant to the Uniform Method. In addition, the remedies available to the Owners of the Series 2019 Bonds under the Indenture are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, the remedies specified by federal, state and local law and in the Indenture and the Series 2019 Bonds, including, without limitation, enforcement of the obligation to pay Series 2019 Special Assessments and the ability of the District to foreclose the lien of the Series 2019 Special Assessments if not being collected pursuant to the Uniform Method, may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2019 Bonds (including Bond Counsel's approving opinion) will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. The inability, either partially or fully, to enforce remedies available with respect to the Series 2019 Bonds could have a material adverse impact on the interest of the Owners thereof.

A 2011 bankruptcy court decision in Florida held that the governing body of a community development district, and not the bondholders or indenture trustee, was the creditor of the landowners/debtors in bankruptcy with respect to claims for special assessments, and thus only the district could vote to approve or disapprove a reorganization plan submitted by the debtors in the case. The district voted in favor of the plan. The governing body of the district was at that time elected by the landowners

rather than qualified electors. Under the reorganization plan that was approved, a two-year moratorium was placed on the debtor landowners' payment of special assessments. As a result of this non-payment of assessments, debt service payments on the district's bonds were delayed for two years or longer. The Indenture provides for the delegation of certain rights from the District to the Trustee in the event of a bankruptcy or similar proceeding with respect to an [insolvent "Landowner"] (as previously defined). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS – Indenture Provisions Relating to Bankruptcy or Insolvency of a Landowner." The District cannot express any view whether such delegation would be enforceable.

Series 2019 Special Assessments Are Non-Recourse

The principal security for the payment of the principal and interest on the Series 2019 Bonds is the timely collection of the Series 2019 Special Assessments. The Series 2019 Special Assessments do not constitute a personal indebtedness of the landowners of the land subject thereto, but are secured by a lien on such land. There is no assurance that the Developer or subsequent landowners will be able to pay the Series 2019 Special Assessments or that they will pay such Series 2019 Special Assessments even though financially able to do so. Neither the Developer nor any other subsequent landowners have any personal obligation to pay the Series 2019 Special Assessments. Neither the Developer nor any subsequent landowners are guarantors of payment of any Series 2019 Special Assessments, and the recourse for the failure of the Developer or any subsequent landowner to pay the Series 2019 Special Assessments is limited to the collection proceedings against the land subject to such unpaid Series 2019 Special Assessments, as described herein. Therefore the likelihood of collection of the Series 2019 Special Assessments may ultimately depend on the market value of the land subject to the Series 2019 Special Assessments. While the ability of the Developer or subsequent landowners to pay the Series 2019 Special Assessments is a relevant factor, the willingness of the Developer or subsequent landowners to pay the Series 2019 Special Assessments, which may also be affected by the value of the land subject to the Series 2019 Special Assessments, is also an important factor in the collection of Series 2019 Special Assessments. The failure of the Developer or subsequent landowners to pay the Series 2019 Special Assessments could render the District unable to collect delinquent Series 2019 Special Assessments, if any, and provided such delinquencies are significant, could negatively impact the ability of the District to make the full or punctual payment of debt service on the Series 2019 Bonds.

Regulatory and Environmental Risks

The development of the District Lands is subject to comprehensive federal, state and local regulations and future changes to such regulations. Approval is required from various public agencies in connection with, among other things, the design, nature and extent of planned improvements, both public and private, and construction of the infrastructure in accordance with applicable zoning, land use and environmental regulations. Although all such approvals required to date have been received and any further approvals are anticipated to be received as needed, failure to obtain any such approvals in a timely manner could delay or adversely affect the completion of the development of the District Lands. See "THE DEVELOPMENT – Development Approvals," herein for more information.

The value of the land within the District, the success of the Development, the development of the Series 2019 Assessment Area and the likelihood of timely payment of principal and interest on the Series 2019 Bonds could be affected by environmental factors with respect to the land in the District. Should the land be contaminated by hazardous materials, this could materially and adversely affect the value of the land in the District, which could materially and adversely affect the success of the development of the lands within the District and the likelihood of the timely payment of the Series 2019 Bonds. The District has not performed, nor has the District requested that there be performed on its behalf, any independent assessment of the environmental conditions within the District. See "THE DEVELOPMENT – Environmental" for

information on environmental site assessments obtained or received. Nevertheless, it is possible that hazardous environmental conditions could exist within the District or in the vicinity of the District and that such conditions could have a material and adverse impact upon the value of the benefited lands within the District. No assurance can be given that unknown hazardous materials, protected animals or vegetative species, etc., do not currently exist or may not develop in the future, whether originating within the District or from surrounding property, and what effect such may have on the development or sale of the lands in the Series 2019 Assessment Area.

The value of the lands subject to the Series 2019 Special Assessments could also be adversely impacted by flooding or wind damage caused by hurricanes, tropical storms, or other catastrophic events. In addition to potential damage or destruction to any existing development or construction in or near the District, such catastrophic events could potentially render the District Lands unable to support future development. The occurrence of any such events could materially adversely impact the District's ability to pay principal and interest on the Series 2019 Bonds. The Series 2019 Bonds are not insured, and the District's casualty insurance policies do not insure against losses incurred on private lands within its boundaries.

Economic Conditions and Changes in Development Plans

The successful development of the Series 2019 Assessment Area and the sale of residential units therein, once such homes are built, may be affected by unforeseen changes in general economic conditions, fluctuations in the real estate market and other factors beyond the control of the Developer. Moreover, the Developer has the right to modify or change plans for development of the Development from time to time, including, without limitation, land use changes, changes in the overall land and phasing plans, and changes to the type, mix, size and number of units to be developed, and may seek in the future, in accordance with and subject to the provisions of the Act, to contract or expand the boundaries of the District.

Other Taxes and Assessments

The willingness and/or ability of an owner of benefited land to pay the Series 2019 Special Assessments could be affected by the existence of other taxes and assessments imposed upon such property by the District, the County or any other local special purpose or general purpose governmental entities. County, school, special district taxes and special assessments, and voter-approved ad valorem taxes levied to pay principal of and interest on debt, including the Series 2019 Special Assessments, collected pursuant to the Uniform Method are payable at one time. Public entities whose boundaries overlap those of the District could, without the consent of the owners of the land within the District, impose additional taxes on the property within the District. The District anticipates imposing operation and maintenance assessments encumbering the same property encumbered by the Series 2019 Special Assessments. In addition, lands within the District may also be subject to assessments by property owners' and homeowners' associations. See "THE DEVELOPMENT – Taxes, Fees and Assessments" for additional information.

Under Florida law, a landowner may contest the assessed valuation determined for its property that forms the basis of ad-valorem taxes such landowner must pay. During this contest period, the sale of a tax certificate under the Uniform Method will be suspended. If the Series 2019 Special Assessments are being collected along with ad valorem taxes pursuant to the Uniform Method, tax certificates will not be sold with respect to such Series 2019 Special Assessment, even though the landowner is not contesting the amount of the Series 2019 Special Assessment. However, Section 194.014, Florida Statutes, requires taxpayers challenging the assessed value of their property to pay all non-ad valorem taxes and at least 75% of their ad valorem taxes before they become delinquent. Likewise, taxpayers who challenge the denial of an exemption or classification or a determination that their improvements were substantially complete must pay all non-ad valorem assessments and the amount of ad valorem taxes that they admit in good faith to be

owing. If a taxpayer fails to pay property taxes as set forth above, the Value Adjustment Board considering the taxpayer's challenge is required to deny such petition by written decision by April 20 of such year.

Limited Secondary Market for Series 2019 Bonds

The Series 2019 Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Series 2019 Bonds in the event an Owner thereof determines to solicit purchasers for the Series 2019 Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Series 2019 Bonds may be sold. Such price may be lower than that paid by the current Owners of the Series 2019 Bonds, depending on the progress of development of the Development and the lands within the Series 2019 Assessment Area, as applicable, existing real estate and financial market conditions and other factors.

Inadequacy of Series 2019 Debt Service Reserve Account

Some of the risk factors discussed herein, which, if materialized, would result in a delay in the collection of the Series 2019 Special Assessments, may not adversely affect the timely payment of debt service on the Series 2019 Bonds because of the Series 2019 Debt Service Reserve Account. The ability of the Series 2019 Debt Service Reserve Account to fund deficiencies caused by delinquencies in the Series 2019 Special Assessments is dependent on the amount, duration and frequency of such deficiencies. Moneys on deposit in the Series 2019 Debt Service Reserve Account may be invested in certain obligations permitted under the Indenture. Fluctuations in interest rates and other market factors could affect the amount of moneys in such Series 2019 Debt Service Reserve Account to make up deficiencies. If the District has difficulty in collecting the Series 2019 Special Assessments, the Series 2019 Debt Service Reserve Account could be rapidly depleted and the ability of the District to pay debt service on the Series 2019 Bonds could be materially adversely affected. In addition, during an Event of Default under the Indenture, the Trustee may withdraw moneys from the Series 2019 Debt Service Reserve Account and such other Funds, Accounts and subaccounts created under the applicable Indenture to pay its extraordinary fees and expenses incurred in connection with such Event of Default. If in fact the Series 2019 Debt Service Reserve Account is accessed for any purpose, the District does not have a designated revenue source for replenishing such account. Moreover, the District may not be permitted to re-assess real property then burdened by the Series 2019 Special Assessments in order to provide for the replenishment of the Series 2019 Debt Service Reserve Account. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS – Series 2019 Debt Service Reserve Account" herein for more information about the Series 2019 Debt Service Reserve Account.

Legal Delays

If the District should commence a foreclosure action against a landowner for nonpayment of Series 2019 Special Assessments that are not being collected pursuant to the Uniform Method, such landowner and/or its mortgagee(s) may raise affirmative defenses to such foreclosure action. Although the District expects that such affirmative defenses would likely be proven to be without merit, they could result in delays in completing the foreclosure action. In addition, the District is required under the Indenture to fund the costs of such foreclosure. It is possible that the District will not have sufficient funds and will be compelled to request the Holders of the Series 2019 Bonds to allow funds on deposit under the Indenture to be used to pay the costs of the foreclosure action. Under the Code, there are limitations on the amounts of proceeds from the Series 2019 Bonds that can be used for such purpose.

IRS Examination and Audit Risk

The Internal Revenue Service (the "IRS") routinely examines bonds issued by state and local governments, including bonds issued by community development districts. In 2016, the IRS concluded its lengthy examination of certain issues of bonds (for purposes of this subsection, the "Audited Bonds") issued by Village Center Community Development District (the "Village Center CDD"). During the course of the audit of the Audited Bonds, Village Center CDD received a ruling dated May 30, 2013, in the form of a non-precedential technical advice memorandum ("TAM") concluding that Village Center CDD is not a political subdivision for purposes of Section 103(a) of the Code because Village Center CDD was organized and operated to perpetuate private control and avoid indefinitely responsibility to an electorate, either directly or through another elected state or local government body. Such a conclusion could lead to the further conclusion that the interest on the Audited Bonds was not excludable from gross income of the owners of such bonds for federal income tax purposes. Village Center CDD received a second TAM dated June 17, 2015, which granted relief to Village Center CDD from retroactive application of the IRS's conclusion regarding its failure to qualify as a political subdivision. Prior to the conclusion of the audits, the Audited Bonds were all refunded with taxable bonds. The audit of the Audited Bonds that were issued for utility improvements were closed without change to the tax exempt status of those Audited Bonds on April 25, 2016, and the audit of the remainder of the Audited Bonds (which funded recreational amenity acquisitions from entities related to the principal landowner in the Village Center CDD) was closed on July 14, 2016, without the IRS making a final determination that the interest on the Audited Bonds in question was required to be included in gross income. However, the IRS letter to the Village Center CDD with respect to this second set of Audited Bonds noted that the IRS found that the Village Center CDD was not a "proper issuer of tax-exempt bonds" and that those Audited Bonds were private-activity bonds that did not fall in any of the categories that qualify for tax-exemption. Although the TAMs and the letters to the Village Center CDD from the IRS referred to above are addressed to, and binding only on, the IRS and Village Center CDD in connection with the Audited Bonds, they reflect the audit position of the IRS, and there can be no assurance that the IRS would not commence additional audits of bonds issued by other community development districts raising issues similar to the issues raised in the case of the Audited Bonds based on the analysis set forth in the first TAM or on the related concerns addressed in the July 14, 2016 letter to the Village Center CDD.

On February 23, 2016, the IRS published proposed regulations designed to provide prospective guidance with respect to potential private business control of issuers by providing a new definition of political subdivision for purposes of determining whether an entity is an appropriate issuer of bonds the interest on which is excluded from gross income for federal tax purposes. The proposed regulations require that a political subdivision (i) have the power to exercise at least one sovereign power, (ii) be formed and operated for a governmental purpose, and (iii) have a governing body controlled by or have significant uses of its funds or assets otherwise controlled by a government unit with all three sovereign powers or by an electorate that is not controlled by an unreasonably small number of unrelated electors. On October 4, 2017, the Treasury Department ("Treasury") announced that it would withdraw the proposed regulations, stating that, "while Treasury and the IRS continue to study the legal issues relating to political subdivisions, Treasury and the IRS currently believe that these proposed regulations should be withdrawn in their entirety, and plan to publish a withdrawal of the proposed regulations shortly in the Federal Register. Treasury and the IRS may propose more targeted guidance in the future after further study of the relevant legal issues." Notice of withdrawal of the proposed regulations was published in the Federal Register on October 20, 2017.

It has been reported that the IRS has closed audits of other community development districts in Florida with no change to such districts' bonds' tax-exempt status, but has advised such districts that such districts must have public electors within the timeframe established by the applicable state law or their bonds may be determined to be taxable retroactive to the date of issuance. Pursuant to the Act, general

elections are not held until the later of six years from the date of establishment of the community development district or the time at which there are at least 250 qualified electors in the district. The District, unlike Village Center CDD, was formed with the intent that it will contain a sufficient number of residents to allow for a transition to control by a general electorate. [Currently, three of the five members of the Board of the District were elected by the landowners and two were elected by qualified electors.] The Developer will certify as to its expectations as to the timing of the transition of control of the Board of the District to qualified electors pursuant to the Act, and its expectations as to compliance with the Act by any members of the Board that it elects. Such certification by the Developer does not ensure that such certification shall be determinative of, or may influence the outcome of any audit by the IRS, or any appeal from such audit, that may result in an adverse ruling that the District is not a political subdivision for purposes of Section 103(a) of the Code. Further, there can be no assurance that an audit by the IRS of the Series 2019 Bonds will not be commenced. The District has no reason to believe that any such audit will be commenced, or that any such audit, if commenced, would result in a conclusion of noncompliance with any applicable state or federal law.

Owners of the Series 2019 Bonds are advised that, if the IRS does audit the Series 2019 Bonds, under its current procedures, at least during the early stages of an audit, the IRS will treat the District as the taxpayer, and the Owners of the Series 2019 Bonds may have limited rights to participate in those proceedings. The commencement of such an audit could adversely affect the market value and liquidity of the Series 2019 Bonds until the audit is concluded, regardless of the ultimate outcome. In addition, in the event of an adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2019 Bonds, it is unlikely the District will have available revenues to enable it to contest such determination or enter into a voluntary financial settlement with the IRS. Further, an adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2019 Bonds would adversely affect the availability of any secondary market for the Series 2019 Bonds. Should interest on the Series 2019 Bonds become includable in gross income for federal income tax purposes, not only will Owners of Series 2019 Bonds be required to pay income taxes on the interest received on such Series 2019 Bonds and related penalties, but because the interest rate on such Series 2019 Bonds will not be adequate to compensate Owners of the Series 2019 Bonds for the income taxes due on such interest, the value of the Series 2019 Bonds may decline.

THE INDENTURE DOES NOT PROVIDE FOR ANY ADJUSTMENT IN THE INTEREST RATES ON THE SERIES 2019 BONDS IN THE EVENT OF AN ADVERSE DETERMINATION BY THE IRS WITH RESPECT TO THE TAX-EXEMPT STATUS OF INTEREST ON THE SERIES 2019 BONDS. PROSPECTIVE PURCHASERS OF THE SERIES 2019 BONDS SHOULD EVALUATE WHETHER THEY CAN OWN THE SERIES 2019 BONDS IN THE EVENT THAT THE INTEREST ON THE SERIES 2019 BONDS BECOMES TAXABLE AND/OR THE DISTRICT IS EVER DETERMINED TO NOT BE A POLITICAL SUBDIVISION FOR PURPOSES OF THE CODE AND/OR SECURITIES ACT (AS HEREINAFTER DEFINED).

Loss of Exemption from Securities Registration

Since the Series 2019 Bonds have not been and will not be registered under the Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws, because of the exemption for political subdivisions, if the District is ever deemed by the IRS, judicially or otherwise, not to be a political subdivision for purposes of the Code, it is possible that federal or state regulatory authorities could also determine that the District is not a political subdivision for purposes of the federal and state securities laws. Accordingly, the District and purchasers of Series 2019 Bonds may not be able to rely on the exemption from registration under the Securities Act relating to securities issued by political subdivisions. In that event, the Owners of the Series 2019 Bonds would need to ensure that subsequent transfers of the Series

2019 Bonds are made pursuant to a transaction that is not subject to the registration requirements of the Securities Act and applicable state securities laws.

Federal Tax Reform

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2019 Bonds. In some cases these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2019 Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2019 Bonds and their market value. No assurance can be given that additional legislative proposals will not be introduced or enacted that would or might apply to, or have an adverse effect upon, the Series 2019 Bonds. Prospective purchasers of the Series 2019 Bonds should consult their tax advisors as to the impact of any proposed or pending legislation as well as the impact of federal legislation enacted in December 2017. See also "TAX MATTERS."

State Tax Reform

It is impossible to predict what new proposals may be presented regarding tax reform and/or community development districts during upcoming legislative sessions, whether such new proposals or any previous proposals regarding the same will be adopted by the Florida Senate and House of Representatives and signed by the Governor, and, if adopted, the form thereof. On October 31, 2014, the Auditor General of the State released a 31-page report which requests legislative action to establish parameters on the amount of bonds a community development district may issue and provide additional oversight for community development district bonds. This report renews requests made by the Auditor General in 2011 that led to the Governor of the State issuing an Executive Order on January 11, 2012 (the "Executive Order") directing the Office of Policy and Budget in the Executive Office of the Governor ("OPB") to examine the role of special districts in the State. As of the date hereof, the OPB has not made any recommendations pursuant to the Executive Order nor has the Florida legislature passed any related legislation. It is impossible to predict with certainty the impact that any existing or future legislation will or may have on the security for the Series 2019 Bonds. It should be noted that Section 190.16(14) of the Act provides in pertinent part that "The state pledges to the holders of any bonds issued under the Act that it will not limit or alter the rights of the district to levy and collect the ... assessments... and to fulfill the terms of any agreement made with the holders of such bonds ... and that it will not impair the rights or remedies of such holders."

Insufficient Resources or Other Factors Causing Failure to Complete the Phase 7 and Phase 8 Projects or the Construction of Homes within the Series 2019 Assessment Area

The cost to finish the Phase 7 and Phase 8 Projects [will] exceed the net proceeds from the Series 2019 Bonds. There can be no assurance, in the event the District does not have sufficient moneys on hand to complete the Phase 7 and Phase 8 Projects, that the District will be able to raise, through the issuance of additional bonds or otherwise, the moneys necessary to complete the Phase 7 and Phase 8 Projects. Further, pursuant to the Indenture, the District covenants and agrees that the District shall not to issue any other Bonds or other debt obligations secured by Special Assessments on assessable lands within the Series 2019 Assessment Area for any capital project until the Series 2019 Special Assessments are Substantially Absorbed. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS – Additional Bonds" for more information.

Although the Developer will agree to fund or cause to be funded the completion of the Phase 7 and Phase 8 Projects regardless of the insufficiency of proceeds from the Series 2019 Bonds and will enter into

a completion agreement with the District as evidence thereof, there can be no assurance that the Developer will have sufficient resources to do so. Such obligation of the Developer is an unsecured obligation, and the Developer is a special-purpose entity whose assets consist primarily of its respective interests in the Development. See "THE DEVELOPER" herein for more information.

Further, even if development of the Series 2019 Assessment Area is completed, there are no assurances that homes will be constructed and sold within the Series 2019 Assessment Area. See "THE DEVELOPER" herein for more information.

Payment of Series 2019 Special Assessments after Bank Foreclosure

In the event a bank forecloses on property because of a default on a mortgage in favor of such bank on any of the assessable lands within the District, and then the bank itself fails, the Federal Deposit Insurance Corporation (the "FDIC"), as receiver, will then become the fee owner of such property. In such event, the FDIC will not, pursuant to its own rules and regulations, likely be liable to pay the Series 2019 Special Assessments levied on such property. In addition, the District would require the consent of the FDIC prior to commencing a foreclosure action.

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ESTIMATED SOURCES AND USES OF FUNDS

Source of Funds

Par Amount of Series 2019 Bonds	\$ _____
[Net Original Issue Premium/Discount]	_____
Total Sources	\$ _____

Use of Funds

Deposit to Series 2019 Acquisition and Construction Account	\$ _____
Deposit to Series 2019 Retainage Subaccount ⁽¹⁾	_____
Deposit to Series 2019 Interest Account ⁽²⁾	_____
Deposit to Series 2019 Debt Service Reserve Account	_____
Costs of Issuance, including Underwriter's Discount ⁽³⁾	_____
Total Uses	\$ _____

-
- (1) See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS – Series 2019 Retainage Subaccount" for more information.
 - (2) Interest is capitalized through at least _____ 1, 20__.
 - (3) Costs of issuance includes, without limitation, legal fees and other costs associated with the issuance of the Series 2019 Bonds.

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DEBT SERVICE REQUIREMENTS

The following table sets forth the scheduled debt service on the Series 2019 Bonds:

<u>Period Ending</u> <u>November 1</u>	<u>Principal</u> <u>(Amortization)</u>	<u>Interest</u>	<u>Total Debt Service</u>
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TOTALS

*The final maturity of the Series 2019 Bonds.

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THE DISTRICT

General Information

The District was established by Ordinance 02-09 of the Board of County Commissioners of Collier County, Florida (the "County"), enacted on February 26, 2002, and effective on March 4, 2002, as amended by Ordinance No. 2016-35 enacted by the County on November 15, 2016 (collectively, the "Ordinance"). The District encompasses approximately 849.4 gross acres of mostly developed land. The District has submitted a petition to the County to expand the boundaries of the District by approximately [10.01] acres, which would increase the total size of the District to approximately [859.5] gross acres. It is anticipated that the ordinance will be enacted by the Board of County Commissioners of the County on [_____], 2019. See "THE DEVELOPMENT" herein for more information.

Legal Powers and Authority

The District is an independent unit of local government created pursuant to and established in accordance with the Act. The Act was enacted in 1980 to provide a uniform method for the establishment of independent districts to manage and finance basic community development services, including capital infrastructure required for community developments throughout the State of Florida. The Act provides legal authority for community development districts (such as the District) to finance the acquisition, construction, operation and maintenance of the major infrastructure for community development pursuant to its general law charter.

Among other provisions, the Act gives the District's Board of Supervisors the authority to, among other things, (a) plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate and maintain systems and facilities for, among other things: (i) water management and control for lands within the District and to connect any of such facilities with roads and bridges; (ii) water supply, sewer and wastewater management, reclamation and reuse systems or any combination thereof and to construct and operate connecting intercept or outlet sewers and sewer mains and pipes and water mains, conduits, or pipelines in, along, and under any street, alley, highway, or other public place or ways, and to dispose of any effluent, residue, or other byproducts of such system or sewer system; (iii) District roads equal to or exceeding the specifications of the county in which such district roads are located and street lights, landscaping, hardscaping, and undergrounding of electric utility lines; and (iv) with the consent of the local general-purpose government within the jurisdiction of which the power is to be exercised, parks and facilities for indoor and outdoor recreational uses and security; (b) borrow money and issue bonds of the District; (c) impose and foreclose special assessments liens as provided in the Act; and (d) exercise all other powers, necessary, convenient, incidental or proper in connection with any of the powers or duties of the District stated in the Act.

The Act does not empower the District to adopt and enforce any land use plans or zoning ordinances and the Act does not empower the District to grant building permits. These functions are to be performed by general purpose local governments having jurisdiction over the lands within the District.

The Act exempts all property owned by the District from levy and sale by virtue of an execution and from judgment liens, but does not limit the right of bondholders to pursue any remedy for enforcement of any lien or pledge of the District in connection with its bonds, including the Series 2019 Bonds.

Board of Supervisors

The governing body of the District is its Board of Supervisors (the "Board"), which is composed of five Supervisors (the "Supervisors"). The Act provides that, at the initial meeting of the landowners,

Supervisors must be elected by the landowners with the two Supervisors receiving the highest number of votes to serve for four years and the remaining Supervisors to serve for a two-year term. Three of the five Supervisors are elected to the Board every two years in November. At such election the two Supervisors receiving the highest number of votes are elected to four-year terms and the remaining Supervisor is elected to a two-year term. Until the later of six (6) years after the initial appointment of Supervisors or the year in which there are at least 250 qualified electors in the District, or such earlier time as the Board may decide to exercise its ad valorem taxing power, the Supervisors are elected by vote of the landowners of the District. Ownership of the land within the District entitles the owner to one vote per acre (with fractions thereof rounded upward to the nearest whole number and, for purposes of determining voting interests, platted lots shall be counted individually and rounded up to the nearest whole acre and shall not be aggregated for determining the number of voting units held). Upon the later of six (6) years after the initial appointment of Supervisors or the year in which there are at least 250 qualified electors in the District, the Supervisors whose terms are expiring will be elected (as their terms expire) by qualified electors of the District, except as described below. A qualified elector is a registered voter who is at least eighteen years of age, a resident of the District and the State of Florida and a citizen of the United States. At the election where Supervisors are first elected by qualified electors, two Supervisors must be qualified electors and be elected by qualified electors, both to four-year terms. Thereafter, as terms expire, all Supervisors must be qualified electors and are elected to serve four-year terms. If there is a vacancy on the Board, whether as a result of the resignation or removal of a Supervisor or because no elector qualifies for a seat to be filled in an election, the remaining Board members are to fill such vacancy for the unexpired term.

Notwithstanding the foregoing, if at any time the Board proposes to exercise its ad valorem taxing power, prior to the exercise of such power, it shall call an election at which all Supervisors shall be qualified electors and shall be elected by qualified electors in the District. Elections subsequent to such decision shall be held in a manner such that the Supervisors will serve four-year terms with staggered expiration dates in the manner set forth in the Act.

The Act provides that it shall not be an impermissible conflict of interest under Florida law governing public officials for a Supervisor to be a stockholder, officer or employee of a landowner or of any entity affiliated with a landowner (which includes the Developer).

The current members of the Board and the expiration of the term of each member are set forth below:

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Andrew Miller*	Chairperson	November, 2022
John Wollard*	Vice-Chairperson	November, 2020
Tom Kleck	Assistant Secretary	November, 2022
Tim Martin*	Assistant Secretary	November, 2020
Ronald Miller	Assistant Secretary	November, 2022

* Employee of the Developer or an affiliate of the Developer.

A majority of the members of the Board constitutes a quorum for the purposes of conducting its business and exercising its powers and for all other purposes. Action taken by the District shall be upon a vote of a majority of the members present unless general law or a rule of the District requires a greater number. All meetings of the Board are open to the public under Florida's open meeting or "Sunshine" law.

The District Manager and Other Consultants

The chief administrative official of the District is the District Manager (as hereinafter defined). The Act provides that a district manager has charge and supervision of the works of the District and is responsible for preserving and maintaining any improvement or facility constructed or erected pursuant to the provisions of the Act, for maintaining and operating the equipment owned by the District, and for performing such other duties as may be prescribed by the Board.

The District has retained JP Ward and Associates, LLC, Oakland Park, Florida, to serve as its district manager ("District Manager"). The District Manager's office is located at 2900 Northeast 12th Terrace, Suite 1, Oakland Park, Florida 33334, telephone number (954) 658-4900.

The Act further authorizes the Board to hire such employees and agents as it deems necessary. Thus, the District has employed the services of Bryant Miller Olive P.A., Orlando, Florida, as Bond Counsel; Waldrop Engineering, P.A., Bonita Springs, Florida, as Consulting Engineer; and Coleman, Yovanovich & Koester, P.A., Naples, Florida, as District Counsel. The Board has also retained JP Ward and Associates, LLC, Oakland Park, Florida, to serve as Methodology Consultant and to prepare the Assessment Methodology.

Outstanding Bonds

The District previously issued its Special Assessment Bonds, Series 2013 (the "Series 2013 Bonds") on December 12, 2013 in the original principal amount of \$7,050,000 which are currently outstanding in the aggregate principal amount of [\$_____], its Special Assessment Bonds, Series 2015 (Phase 3 Project) (the "Series 2015 Phase 3 Bonds") on April 9, 2015 in the original principal amount of \$3,950,000, which are currently outstanding in the aggregate principal amount of [\$_____], its Special Assessment Bonds, Series 2015 (Phase 4 Project) (the "Series 2015 Phase 4 Bonds") on December 8, 2015 in the original principal amount of \$3,190,000, which are currently outstanding in the aggregate principal amount of [\$_____], its Special Assessment Bonds, Series 2016 (Phase 5 Project) (the "Series 2016 Bonds") on November 29, 2016 in the original principal amount of \$5,425,000, which are currently outstanding in the aggregate principal amount of [\$_____], and its Special Assessment Bonds, Series 2017 (Phase 6 Project) (the "Series 2017 Bonds") on November 17, 2017 in the original principal amount of \$3,665,000, which are currently outstanding in the aggregate principal amount of [\$_____]. The Series 2013 Bonds, the Series 2015 Phase 3 Bonds, the Series 2015 Phase 4 Bonds, the Series 2016 Bonds and the Series 2017 Bonds are secured by assessments levied on lands in the District separate and distinct from the lands that will be subject to the Series 2019 Special Assessments securing the Series 2019 Bonds.

[The above outstanding balances to be provided by trustee as we get closer to posting.]

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THE CAPITAL IMPROVEMENT PLAN AND THE PHASE 7 AND PHASE 8 PROJECTS

General

In the "Flow Way Community Development District Master Engineer's Report" dated August, 2013 (the "Master Engineer's Report") and [the "Flow Way Community Development District Phase 8 Engineer's Report 2018 Project" dated August 2018] (the "Phase 8 Engineer's Report" and, together with the Master Engineer's Report, the "Engineer's Report"), the District Engineer sets forth the District's capital improvement plan (the "CIP"). The total cost of the entire District CIP, which includes without limitation the [Phase 7 and] Phase 8 Project[s], is estimated to be approximately [\$39 million]. The CIP includes offsite improvements, earthwork, drainage facilities, water facilities, wastewater facilities, irrigation facilities, exterior landscaping, professional and permit fees and environmental preservation and mitigation. The CIP is expected to be substantially complete by [2020]. See the Engineer's Report attached hereto in Appendix C for a breakdown of the CIP and estimated costs associated therewith.

Prior Projects

In December 2013 the District issued its Series 2013 Bonds in the original principal amount of \$7,050,000 to provide funds for the Series 2013 Project. The Series 2013 Project consisted of Phases 1 and 2 of the District's CIP. The total cost of the Series 2013 Project was approximately \$10,190,770 and was completed in the second quarter of 2015. See "THE DEVELOPMENT – Update on Previous Assessment Areas" for more information.

In April 2015 the District issued its Series 2015 Phase 3 Bonds in the original principal amount of \$3,950,000 to provide funds for the Series 2015 Phase 3 Project. The Series 2015 Phase 3 Project consisted of Phase 3 of the District's CIP. The total cost of the Series 2015 Phase 3 Project was approximately \$3,453,575. All of the Series 2015 Phase 3 Bond proceeds have been spent and the Series 2015 Phase 3 Project is [substantially complete.] See "THE DEVELOPMENT – Update on Previous Assessment Areas" for more information.

In December 2015 the District issued its Series 2015 Phase 4 Bonds in the original principal amount of \$3,100,000 to provide funds for the Series 2015 Phase 4 Project. The Series 2015 Phase 4 Project consisted of Phase 4 of the District's CIP. The total cost of the Series 2015 Phase 4 Project was approximately \$3,888,694. All of the Series 2015 Phase 4 Bond proceeds have been spent and the Series 2015 Phase 4 Project is [substantially complete.] See "THE DEVELOPMENT – Update on Previous Assessment Areas" for more information.

In November 2016, the District issued its Series 2016 Phase 5 Bonds in the original principal amount of \$5,425,000 to provide funds for the Series 2016 Phase 5 Project. The Series 2016 Phase 5 Project consisted of Phase 5 of the District's CIP. The total cost of the Series 2016 Phase 5 Project was estimated to be approximately \$10,951,238.99. [Update - The Series 2016 Phase 5 Project is expected to be completed in the summer of 2018.] See "THE DEVELOPMENT – Update on Previous Assessment Areas" for more information.

In November 2017, the District issued its Series 2017 Phase 6 Bonds in the original principal amount of \$3,665,000 to provide funds for the Series 2017 Phase 6 Project. The Series 2017 Phase 6 Project consisted of Phase 6 of the District's CIP. The total cost of the Series 2017 Phase 6 Project was estimated to be approximately \$4,856,718.88. [The Series 2017 Phase 6 Project is expected to be completed in _____.] See "THE DEVELOPMENT – Update on Previous Assessment Areas" for more information.

Phase 7 and Phase 8 Projects

[The Phase 7 Project" shall mean _____, as further described in _____.]
 The "Phase 8 Project" shall mean Phase 8 of the CIP, as further described in the Engineer's Report. The [Phase 7 and] Phase 8 Project[s] will include certain improvements to the stormwater management system, utilities (consisting of potable water, sanitary sewer and irrigation improvements), exterior landscaping, certain off-site improvements, and environmental mitigation. See the Engineer's Report attached hereto as Appendix C for more information regarding the [Phase 7 and] Phase 8 Project[s]. The _____ estimated the total cost of the Phase 7 Project to be approximately \$_____ and the Engineer's Report estimates the total cost of the Phase 8 Project to be approximately \$11,491,810.93, which consist of the following: [Engineer to confirm Phase 7 project costs.]

Description	Estimated Phase 7 Project Costs	Estimated Phase 8 Project Costs*	Total Estimated Phase 7 and 8 Project Costs*
Surface Water Management	\$ _____	\$4,881,876.77	\$ _____
Water	_____	897,617.77	_____
Wastewater	_____	1,958,633.41	_____
Irrigation	_____	510,017.80	_____
Exterior Landscaping	_____	456,237.21	_____
Offsite Improvements	_____	292,559.97	_____
Environmental Mitigation	_____	878,961.37	_____
Professional & Permit Fees	_____	<u>1,615,906.62</u>	_____
Total	\$ _____	\$11,491,810.93	\$ _____

* Includes approximately \$ _____* in Phase 8 Project Costs attributed to the Expansion Parcel. At closing, \$ _____ of the net proceeds from the Series 2019 Bonds will be deposited into the Series 2019 Retainage Subaccount of the Series 2019 Acquisition and Construction Account and will not be available to pay Phase 7 or Phase 8 Project costs until the Expansion Parcel has been annexed into the District and Series 2019 Special Assessments have been imposed and levied on such lands. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS – Series 2019 Retainage Subaccount" and "THE DEVELOPMENT" herein for more information.

[Approximately \$ _____* of the net proceeds from the Series 2019 Bonds will be used at or shortly after closing of the Series 2019 Bonds to [purchase] a portion of the Phase 7 and Phase 8 Projects from the Developer.] [Insert status of Phase 8 Project]. The remaining net proceeds from the Series 2019 Bonds in the amount of \$ _____* will be deposited into the Series 2019 Retainage Subaccount. It is anticipated that the Series 2019 Assessment Area will be expanded by the Expansion Parcel pursuant to an ordinance enacted by the Board of County Commissioners of the County on _____, 2019. In the event the Expansion Parcel is added to the District on or before September [], 2020, it is anticipated that the Series 2019 Special Assessments would be imposed and levied on the Expansion Parcel and that proceeds of the Series 2019 Bonds would fund a portion of the development of the Expansion Parcel. In the event the Expansion Parcel is not timely added or the District fails to impose and levy Series 2019 Special Assessments on the Expansion Parcel, the \$ _____* of the net proceeds from the Series 2019 Bonds that will be deposited into the Series 2019 Retainage Subaccount of the Series 2019 Acquisition and Construction Account will be transferred to and deposited in the Series 2019 General Account in the Series 2019 Bond Redemption Fund and applied to the extraordinary mandatory redemption of the Series 2019 Bonds on November 1, 2020. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES

* Preliminary, subject to change.

2019 BONDS – Series 2019 Retainage Subaccount" and "DESCRIPTION OF THE SERIES 2019 BONDS – Redemption Provision – Extraordinary Mandatory Redemption" herein for more information.

The Developer will covenant to complete the Phase 7 and 8 Projects to the extent not funded with the net proceeds of the Series 2019 Bonds. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors causing Failure to Complete the Phase 7 and Phase 8 Projects or the Construction of Homes within the Series 2019 Special Assessment Area." See also "THE DEVELOPMENT – Development Status of the Series 2019 Special Assessment Area" herein for more information regarding the status of development in the Series 2019 Special Assessment Area.

[The District expects to issue Additional Bonds in the future to fund other portions of the CIP that will be secured by special assessments levied on District Lands separate and distinct from the District Lands subject to the Series 2013 Special Assessments, the Series 2015 (Phase 3) Special Assessments, the Series 2015 (Phase 4) Special Assessments, the Series 2016 (Phase 5) Special Assessments, the Series 2017 (Phase 6) Special Assessments and the Series 2019 Special Assessments. See "SECURITY FOR AND SOURCE OF PAYMENT OF SERIES 2019B BONDS – Additional Obligations" for a summary of the Indenture provisions restricting future bonds secured by Special Assessments on the District Lands subject to the Series 2019 Special Assessments.]

ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS

JPWard and Associates, LLC, Oakland Park, Florida (the "Methodology Consultant"), has prepared the "Special Assessment Report for Series 2019 Phase 7 (Esplanade) and Phase 8 Bonds" (the "Assessment Methodology") included herein as Appendix D. The Assessment Methodology sets forth an overall method for allocating the Series 2019 Special Assessments to be levied against that portion of the lands within the District benefited by the Phase 7 and Phase 8 Projects, and collected by the District as a result thereof. Once the final terms of the Series 2019 Bonds are determined, the Assessment Methodology will be revised or supplemented to reflect such final terms. Once levied and imposed, the Series 2019 Special Assessments are a first lien on the land against which assessed until paid or barred by operation of law, co-equal with other taxes and assessments levied by the District and other units of government. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein.

The Series 2019 Special Assessments that will secure the Series 2019 Bonds will be levied only on the Series 2019 Special Assessment Area, which is comprised of the approximately 36 multi-family units which comprise Phase 7 of the Development and the [38.63] gross acres which comprise the current Phase 8 of the Development which are planned for [241 or 248] units. The District has submitted a petition to the County to expand the boundaries of the District by approximately [10.01] acres which are planned for approximately 37 units, which would increase the total size of Phase 8 to approximately [48.85] gross acres planned for [278 or 285] units. It is anticipated that the Series 2019 Assessment Area will be expanded by the Expansion Parcel pursuant to an ordinance enacted by the Board of County Commissioners of the County on [____], 2019. In the event the Expansion Parcel is added to the District on or before September [____], 2020, it is anticipated that the Series 2019 Special Assessments would be imposed and levied on the Expansion Parcel and that proceeds of the Series 2019 Bonds would fund a portion of the development of the Expansion Parcel. In the event the Expansion Parcel is not timely added or the District fails to impose and levy Series 2019 Special Assessments on the Expansion Parcel by September [____], 2020, the \$ _____* of the net proceeds from the Series 2019 Bonds that will be deposited into the Series 2019 Retainage Subaccount of the Series 2019 Acquisition and Construction Account will be transferred to and deposited in the Series 2019 General Account in the Series 2019 Bond Redemption Fund and applied to the extraordinary mandatory redemption of the Series 2019 Bonds on November 1, 2020. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2016 BONDS – Series 2019

Retainage Subaccount" and "DESCRIPTION OF THE SERIES 2019 BONDS – Redemption Provision – Extraordinary Mandatory Redemption" herein for more information.

Upon full platting and development of the Series 2019 Special Assessment Area, the estimated Series 2019 Special Assessments to be levied to pay debt service on the Series 2019 Bonds and the estimated Series 2019 Bonds total par per unit are set forth below: [Confirm below]

<u>Product</u>	<u># of Units</u>	<u>Annual Series 2019 Special Assessment*</u>	<u>Series 2019 Bonds Total Par Per Unit*</u>
52' Multi-Family (Phase 7)	36	\$1,670	\$26,383
52' Single-Family (Phase 8)	89	\$1,774	\$28,024
76' Single-Family	23	\$4,758	\$75,185
Esplanade	72	\$1,670	\$26,383
Vercelli	<u>64</u>	\$1,364	\$21,549
Total	[241/248]		
52' Lots (Expansion Parcel)	<u>37</u>	\$1,809	\$28,581
Total	[278/285]		

* Preliminary, subject to change. Amounts will be grossed up to include estimated Collier County collection costs and the statutory early payment discount, which may fluctuate.

In addition to the above estimated Series 2019 Special Assessments, each homeowner in the Development will pay annual taxes, including local ad valorem property taxes, the maintenance and operating assessments to be levied by the District which are currently anticipated to be approximately [\$ ____] annually, subject to increase. The total millage rate in the District is approximately [____] mills. These taxes would be payable in addition to the assessments levied by the District. In addition, exclusive of voter approved millages levied for general obligation bonds, as to which no limit applies, the County and the School District of Collier County, Florida may each levy ad valorem taxes upon the land in the District. The District has no control over the level of ad valorem taxes and/or special assessments levied by other taxing authorities. It is possible that in future years taxes and assessments levied by these other entities could be substantially higher than in the current year. See "BONDOWNERS RISKS" and "THE DEVELOPMENT – Taxes, Fees and Assessments" for more information, including proposed associations' assessments.

The following information appearing below under the captions "THE DEVELOPMENT" and "THE DEVELOPER" has been furnished by the Developer for inclusion in this Limited Offering Memorandum and, although believed to be reliable, such information has not been independently verified by the District or its counsel, or the Underwriter or its counsel, and no person other than the Developer makes any representation or warranty as to the accuracy or completeness of such information supplied by it.

The following information is provided by the Developer as a means for the prospective bondholders to understand the anticipated development plan and risks associated with the Development. The Developer's obligations to pay the Series 2019 Special Assessments are no greater than the obligation of any other landowner within the District. The Developer is not a guarantor of payment on any property within the District and the recourse for the Developer's failure to pay is limited to its ownership interests in the property.

THE DEVELOPMENT

General

Esplanade Golf and Country Club of Naples (the "Development") is an approximately 1,798 gross acre, of which all of the developed and developable acres are located in the approximately 849.4 gross acre District, master-planned residential and bundled golf community located entirely in the unincorporated area of the County. The Development is situated northeast of the intersection of Immokalee Road and County Road 951, about three miles east of Interstate 75 and is located within three to eight miles of several big box stores (i.e., Target, Wal-Mart, Home Depot, etc.), chain restaurants and boutique shopping and dining in Mercato, Village on Venetian Bay and Fifth Avenue. There are also numerous medical facilities within six to eight miles of the Development including North Collier Hospital and Physicians Regional Medical Center.

The Development is currently planned to consist of approximately 1,168 single family and multi-family dwelling units, an 18-hole golf course, a clubhouse and a network of trails and parks, [but may be expanded to include up to an additional 65 single family or multi-family units]. The Development also includes approximately 969 gross acres of conservation areas that are located outside of the District.

The Development is being developed in phases. Land development commenced in January 2013 and is expected to be substantially completed by [2020]. As of the date hereof, the Developer has spent approximately [\$82] million developing the Development and anticipates that another approximate [\$16] million will need to be spent on development costs to complete the Development. As of _____, 2018, approximately ___ homes in the District have been sold and closed with end users with another approximate ___ homes under contract.

The District previously issued its Series 2013 Bonds on December 12, 2013 in connection with the development of Phases 1 and 2 of the Development (the "Series 2013 Assessment Area"), its Series 2015 Phase 3 Bonds on April 9, 2015 in connection with the development of Phase 3 of the Development (the "Series 2015 (Phase 3) Assessment Area"), its Series 2015 Phase 4 Bonds on November 23, 2015 in connection with the development of Phase 4 of the Development (the "Series 2015 (Phase 4) Assessment Area"), its Series 2016 Phase 5 Bonds on November 10, 2016 in connection with the development of Phase 5 of the Development (the "Series 2016 (Phase 5) Assessment Area") and its Series 2017 Phase 6 Bonds on December 5, 2017 in connection with the development of Phase 6 of the Development (the "Series 2017 (Phase 6) Assessment Area"). The lands in the Series 2013 Assessment Area, the Series 2015 (Phase 3) Assessment Area, the Series 2015 (Phase 4) Assessment Area, the Series 2016 (Phase 5) Assessment Area and the Series 2017 (Phase 6) Assessment Area are not subject to the Series 2019 Special Assessments that are securing the Series 2019 Bonds. See "Update on Previous Assessment Areas" below for more

information on the status of the Series 2013 Assessment Area, the Series 2015 (Phase 3) Assessment Area, the Series 2015 (Phase 3) Assessment Area, the Series 2016 (Phase 5) Assessment Area and the Series 2017 (Phase 6) Assessment Area. The Series 2019 Bonds are secured by the Series 2019 Special Assessments which will be levied on the lands in Phase 7 and Phase 8 of the Development (the "Series 2019 Special Assessment Area").

The Developer owns the majority of the land in the Series 2019 Special Assessment Area, which includes all of the land in Phase 8. See "THE DEVELOPER" herein for more information regarding the Developer. Phase 7 is comprised of 36 multi-family units which have been built and closed with residential end-users. The Developer will be responsible for land development and the marketing and construction of the homes for sale in Phase 8 the Series 2019 Special Assessment Area.

Update on Previous Assessment Areas

[To be updated]

Series 2013 Assessment Area

The development work in the Series 2013 Assessment Area is substantially complete and the Developer anticipates completing construction of all infrastructure in the Series 2013 Assessment Area by the [second quarter of 2019], which consists primarily of the final lift of asphalt pavement. Home construction began in the Series 2013 Assessment Area in January 2014. [As of _____, 2019, approximately ___ of the 316 planned homes for the Series 2013 Assessment Area have been sold and closed with end users with another approximate ___ homes under contract.]

Series 2015 (Phase 3) Assessment Area

The development work in the Series 2015 (Phase 3) Assessment Area is substantially complete and the Developer anticipates completing construction of all infrastructure in the Series 2015 (Phase 3) Assessment Area by the [second quarter of 2019], which consists primarily of the final lift of asphalt pavement. Home construction began in the Series 2015 (Phase 3) Assessment Area in March 2015 by Stock Development. [As of _____, 2019, approximately ___ of the planned 90 homes in the Series 2015 (Phase 3) Assessment Area have been sold and closed with end users with another approximate ___ homes under contract.]

Series 2015 (Phase 4) Assessment Area

The development work in the Series 2015 (Phase 4) Assessment Area is substantially complete and the Developer anticipates completing construction of all infrastructure in the Series 2015 (Phase 4) Assessment Area by the [first quarter of 2020], which consists primarily of the final lift of asphalt pavement. Home construction began in the Series 2019 (Phase 4) Assessment Area in March 2015 by Taylor Morrison. [As of _____, 2019, approximately ___ of the planned 163 homes in the Series 2015 (Phase 3) Assessment Area have been sold and closed with end users with another approximate ___ homes under contract.]

Series 2016 (Phase 5) Assessment Area

The Developer anticipates substantial completion of all infrastructure in the Series 2016 (Phase 5) Assessment Area by the [first quarter of 2020]. [The development work is substantially complete except for the development work for approximately 46 condos.] Home construction began in the Series 2016 (Phase 5) Assessment Area in May 2017 by Taylor Morrison. [As of _____, 2019, approximately ___

of the planned 187 homes in the Series 2017 (Phase 5) Assessment Area have been sold and closed with end users with another approximate __ homes under contract.]

Series 2017 (Phase 6) Assessment Area

The Developer anticipates substantial completion of all infrastructure in the Series 2017 (Phase 6) Assessment Area by the [_____]. [Insert status of development work.] Home construction began in the Series 2016 (Phase 5) Assessment Area in _____ by Taylor Morrison. [As of _____, 2018 approximately __ of the planned __ homes in the Series 2017 (Phase 6) Assessment Area have been sold and closed with end users with another approximate __ homes under contract.]

Set forth below is an aerial showing the current status of the Development as of _____, 2018, along with certain surrounding lands.

[Insert picture]

Land Acquisition by the Developer

The Developer acquired all of the land within the District on January 30, 2013, for a purchase price of approximately \$32,000,000. [Additional consideration for expansion parcel?] All of the Developer's land within the District was originally subject to a Mortgage and Security Agreement dated January 30, 2013 and recorded on February 7, 2013 in Book 4883, Page 3973 of the Official Records of the County (the "Mortgage") in favor of IMCollier Joint Venture, a Florida joint venture (the "Mortgagee"). The Mortgage originally secured obligations in the original aggregate principal amount of \$27,000,000. The Developer's lands in the Series 2019 Special Assessment Area, as well as the golf course, clubhouse and other amenities, have been released from the lien of the Mortgage. [Please provide copy of release of mortgage.]

The Mortgage continues to be a lien on the remaining Developer owned properties in the District outside of the Series 2013 Assessment Area, the Series 2015 (Phase 3) Assessment Area, the Series 2015 (Phase 4) Assessment Area, the Series 2016 (Phase 5) Assessment Area, the Series 2017 (Phase 6) Assessment Area and the Series 2019 Special Assessment Area, which includes the District Lands planned for the remaining __ residential units and securing Developer obligations in the aggregate outstanding principal amount of [\$3,000,000]. The obligations accrue interest at the fixed rate of 2% per annum and have a final maturity date of [October 11, 2019]. The Developer is obligated to pay the Mortgagee the following principal amounts on the following dates and in connection therewith the Mortgagee will release the following number of lots:

<u>Principal Due Date</u>	<u>Principal Amount</u>	<u># of Lots Released</u>
[October 11, 2018	\$3,000,000	127]
October 11, 2019	\$3,000,000	132

Development Status of Series 2019 Special Assessment Area (Phase 7 and Phase 8)

[Phase 7 is comprised of 36 multi-family units which have been built and closed with residential end-users. Lot development commenced in Phase 8 of the Series 2019 Special Assessment Area in _____. It is anticipated that Phase 8 of the Series 2019 Special Assessment Area will contain approximately __ units consisting of approximately __ single family units and __ multi-family units. As of the date hereof, __ of the single family units have been platted. The Developer anticipates completing development on the __ single family by _____ quarter of 20__ and the rest of the Series 2019 Special Assessment Area by the _____ quarter of [2020]. Set forth below is a depiction of the Developer and certain surrounding lands as of _____, 2018 with the Series 2019 Special Assessment Area outlined in [blue]:]

[insert picture]

The Developer anticipates that home construction will commence in the Series 2019 Special Assessment Area in the ____ quarter of 20__, with home closings commencing in the ____ quarter of 20__. The Developer anticipates that all of the homes in the Series 2019 Special Assessment Area will be fully constructed and sold to end users by 20__. These anticipated absorption rates are based upon estimates and assumptions made by the Developer that are inherently uncertain, though considered reasonable by the Developer, and are subject to significant business, economic, and competitive uncertainties and contingencies, all of which are difficult to predict and many of which are beyond the control of the Developer. As a result, there can be no assurance such absorption rates will occur or be realized in the time frames anticipated.

Development Finance Plan

As of the date hereof, the Developer has spent approximately [\$82] million developing the entire Development and anticipates that another approximate [\$16] million will need to be spent on development costs to complete the Development. Land development in the Series 2019 Special Assessment Area is substantially complete. See "- Development Status of Series 2019 Special Assessment Area (Phase 7 and Phase 8) above" for more information.

[Approximately \$_____ * of the net proceeds from the Series 2019 Bonds will be used at or shortly after closing of the Series 2019 Bonds to [purchase] a portion of the Phase 7 and Phase 8 Projects from the Developer.] [Insert status of Phase 8 Project]. The remaining net proceeds from the Series 2019 Bonds in the amount of \$_____ * will be deposited into the Series 2019 Retainage Subaccount. It is anticipated that the Series 2019 Assessment Area will be expanded by the Expansion Parcel pursuant to an ordinance enacted by the Board of County Commissioners of the County on _____, 2019. In the event the Expansion Parcel is added to the District on or before September [__], 2020, it is anticipated that the Series 2019 Special Assessments would be imposed and levied on the Expansion Parcel and that proceeds of the Series 2019 Bonds would fund a portion of the development of the Expansion Parcel. In the event the Expansion Parcel is not timely added or the District fails to impose and levy Series 2019 Special Assessments on the Expansion Parcel, the \$_____ * of the net proceeds from the Series 2019 Bonds that will be deposited into the Series 2019 Retainage Subaccount of the Series 2019 Acquisition and Construction Account will be transferred to and deposited in the Series 2019 General Account in the Series 2019 Bond Redemption Fund and applied to the extraordinary mandatory redemption of the Series 2019 Bonds on November 1, 2020. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS – Series 2019 Retainage Subaccount" and "DESCRIPTION OF THE SERIES 2019 BONDS – Redemption Provision – Extraordinary Mandatory Redemption" herein for more information.

The Developer will enter into a completion agreement at closing on the Series 2019 Bonds to complete any portion of the Phase 7 and Phase 8 Projects not funded with the Series 2019 Bonds. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors causing Failure to Complete the Phase 7 and Phase 8 Projects or the Construction of Homes within the Series 2019 Special Assessment Area" herein.

* Preliminary, subject to change.

Residential Product Offerings

The following table reflects the Developer's current expectations for the neighborhoods to be constructed in the Series 2019 Special Assessment Area along with the number of developable units, bedrooms, bathrooms, square footages, and home prices, all of which are subject to change. [Update the below]

Single Family	52'	3	2-3	2-3.5	1,800 – 2,800	\$102,550	\$420,000 - \$490,000
Single Family	62'	43	2-3	3-3.5	2,400 – 3,200	\$122,264	\$460,000 - \$550,000
Single Family	76'	25	3	3-3.5	2,700 – 4,000	\$150,000	\$520,000 - \$650,000
Multi-Family	Condo	<u>16</u>	2-3	1-3	1,700 – 2,300	\$45,000	\$280,000 - \$360,000
Total							

Development Approvals

[To be updated - The Development has received zoning and site plan approval as a Residential Planned Unit Development (the "RPUD"). The zoning approval will allow for the development of a maximum of 1,233 residential units within the District's boundaries.

The RPUD requirements are set forth in County Ordinances 2004-41, 2009-21, 2012-41 and 2014-36. The RPUD imposes certain development obligations on the Developer, at the Developer's cost, including, without limitation, the following: (i) dedication to the County of certain rights-of-ways; (ii) construction of a 10' wide multi-use pathway to be located along the Immokalee Road right-of-way on the north side of the Cocohatchee Canal as part of the entrance construction, which such construction is complete; (iii) the construction of the Developer's fair share of the north leg of the CR-951 / Broken Back Road intersection with Immokalee Road in accordance with the RPUD prior to issuance of the 400th building permit or commencement of construction of the intersection improvements, which is under development and the Developer has paid the approximate \$500,000 cost associated with such construction; (iv) construction of the two northbound lanes of a future four lane road design of Broken Back Road / Collier Boulevard (CR-951) from The Quarry's north entrance to the Project's Eastern entrance in accordance with the RPUD, which is currently out for bid and the Developer anticipates will cost approximately \$332,170; and (v) complete construction of the golf course and temporary golf pro shop / locker room prior to the issuance of a certificate of occupancy for the 100th dwelling unit. The Developer completed the temporary golf pro shop / locker room, consisting of a triple wide trailer, in March 2014 at a total cost of approximately \$300,000 and the golf course was completed in March 2014. The Developer is scheduled to complete construction of the permanent golf pro shop / locker room by third quarter 2018. The permanent golf pro shop / locker room are currently under construction. The Developer anticipates the cost to complete the pro shop will be approximately \$350,000. See "Amenities" below for more information.

The Developer has received all required South Florida Water Management District permits for all planned storm water management and wetland improvements in the Development. The Developer has received all required County permits and approvals for the remaining development work associated with the Phase 8 Project with the exception of the County development permits which are expected to be received in the ordinary course in the second quarter of 2017. The District's Consulting Engineer will certify at the closing of the Series 2019 Bonds that there are no known issues which would prevent permits or approvals necessary for the installation of the infrastructure for the Development, the Phase 8 Project and the CIP from being obtained.]

Taxes, Fees and Assessments

The Series 2019 Special Assessments that will secure the Series 2019 Bonds will be levied only on the Series 2019 Special Assessment Area, which is comprised of the approximately 36 multi-family units which comprise Phase 7 of the Development and the [38.63] gross acres which comprise the current Phase 8 of the Development which are planned for [241 or 248] units. The District has submitted a petition to the County to expand the boundaries of the District by approximately [10.01] acres which are planned for approximately 37 units, which would increase the total size of Phase 8 to approximately [48.85] gross acres planned for [278 or 285] units. It is anticipated that the Series 2019 Assessment Area will be expanded by the Expansion Parcel pursuant to an ordinance enacted by the Board of County Commissioners of the County on [____], 2019. In the event the Expansion Parcel is added to the District on or before September [____], 2020, it is anticipated that the Series 2019 Special Assessments would be imposed and levied on the Expansion Parcel and that proceeds of the Series 2019 Bonds would fund a portion of the development of the Expansion Parcel. In the event the Expansion Parcel is not timely added or the District fails to impose and levy Series 2019 Special Assessments on the Expansion Parcel by September [____], 2020, the \$ _____* of the net proceeds from the Series 2019 Bonds that will be deposited into the Series 2019 Retainage Subaccount of the Series 2019 Acquisition and Construction Account will be transferred to and deposited in the Series 2019 General Account in the Series 2019 Bond Redemption Fund and applied to the extraordinary mandatory redemption of the Series 2019 Bonds on November 1, 2020. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2016 BONDS – Series 2019 Retainage Subaccount" and "DESCRIPTION OF THE SERIES 2019 BONDS – Redemption Provision – Extraordinary Mandatory Redemption" herein for more information. Upon full platting and development of the Series 2019 Special Assessment Area, the estimated Series 2019 Special Assessments to be levied to pay debt service on the Series 2019 Bonds and the estimated Series 2019 Bonds total par per unit are set forth below: [Confirm below]

<u>Product</u>	<u># of Units</u>	<u>Annual Series 2019 Special Assessment*</u>	<u>Series 2019 Bonds Total Par Per Unit*</u>
52' Multi-Family (Phase 7)	36	\$1,670	\$26,383
52' Single-Family (Phase 8)	89	\$1,774	\$28,024
76' Single-Family	23	\$4,758	\$75,185
Esplanade	72	\$1,670	\$26,383
Vercelli	<u>64</u>	\$1,364	\$21,549
Total	[241/248]		
52' Lots (Expansion Parcel)	<u>37</u>	\$1,809	\$28,581
Total	[278/285]		

* Preliminary, subject to change. Amounts will be grossed up to include estimated Collier County collection costs and the statutory early payment discount, which may fluctuate.

In addition to the above estimated Series 2019 Special Assessments, each homeowner in the Development will pay annual taxes, including local ad valorem property taxes, the maintenance and operating assessments to be levied by the District which are currently anticipated to be approximately [\$____] annually, subject to increase, and the homeowner association assessments to be levied by the homeowners association, Esplanade Golf & Country Club of Naples, Inc. (the "Master HOA"). Master HOA fees are currently range from [\$180] per month for multi-family lots, and between [\$807 and \$870] per quarter for single family lots, which all include the "social" (non-golf) club membership which all homeowners will be required to pay. In addition, homeowners that buy bundled golf course membership

will pay an additional [\$225] per month. The Developer anticipates that [347] of the lots in the District will pay for the social club membership only and the remaining [821] lots will be for both the social club and the golf course memberships. In addition, separate homeowners associations may be established within the Development which would also have the right to charge association fees.

The total millage rate in the unincorporated area of the County is approximately [____] mills. These taxes would be payable in addition to the assessments levied by the District. In addition, exclusive of voter approved millages levied for general obligation bonds, as to which no limit applies, the County and the School District of Collier County, Florida may each levy ad valorem taxes upon the land in the District. The District has no control over the level of ad valorem taxes and/or special assessments levied by other taxing authorities. It is possible that in future years taxes and assessments levied by these other entities could be substantially higher than in the current year.

Amenities

[To be updated - The Development will contain an amenity campus consisting of a comprehensive system of pathways leading to neighborhood parks and other amenities, including a clubhouse and other amenity center buildings totaling an estimated 15,000 square feet, which buildings are expected to contain a restaurant, bar, kitchen, library, and wellness center. The Development will have tennis, pickle ball and bocce courts, resort pools and other sports facilities. The Development will contain an events lawn with stage and seating areas to accommodate approximately 400 people for entertainment and social activities.

The Development contains an 18-hole golf course with an accompanying clubhouse and golf and tennis pro shop. The Developer commenced development of the golf course in May 2013 and completed the course in March 2014. A temporary pro shop, consisting of a triple wide trailer, and a cart storage facility was also installed in March 2014 at a total cost of approximately \$314,000. Four tennis courts were completed in 2015. Construction is complete on the approximate 8,000 square foot Wellness Center, Tiki (poolside) Bar and resort pool, for a total cost of approximately \$4.5 million. The permanent golf pro shop and learning center (gathering area) is expected to be completed in late 2018. The culinary building is scheduled to begin in 2019.]

Set forth below is a picture of a portion of the Development's amenities as of [October 26, 2017]:



Education

Children residing in the Development are expected to attend Laurel Oak Elementary School, Oakridge Middle School and Gulf Coast High School, all of which are located within approximately two (2) miles of the Development. The Collier County School Board may change school boundaries from time to time and there is no requirement that students residing in the Development be permitted to attend the schools which are closest to the Development.

Environmental

[Please provide ESA for expansion parcel.] The Developer's parent company, Taylor Morrison of Florida (as defined herein) received a letter dated October 31, 2011, from YPC Consulting Group, PL ("YPC") that Taylor Morrison of Florida may rely on the Phase I Environmental Site Assessment (the "ESA") delivered from YPC to G and M Naples, LLC in June 2011. The ESA covered all of the District Lands. The Phase I Environmental Site Assessment identified no recognized environmental conditions ("REC") on the District Lands. See "BONDOWNERS' RISK – Regulatory and Environmental Risks" herein for more information regarding potential environmental risks.

Utilities

Electric utilities will be provided to the Development by FPL (Florida Power and Light). Natural gas services will be provided by TECO (Tampa Electric Company) Peoples Gas. Telephone and cable TV service will be provided to the Development by CenturyLink Corporation and/or Comcast. Potable water and wastewater service to the Development will be provided by the County.

Competition

The Development is expected to compete with projects in the County market generally. The Developer believes the five projects listed below will be the most direct competition for the Development. [Update below.]

The Quarry

The Quarry is a bundled golf community located adjacent to the community. Homes have been constructed in the project by Pulte Homes ranging from 1,811 Sq. Ft. to 3,999 Sq. Ft. and priced from \$350k to \$1.1m. At build-out The Quarry is expected to contain approximately 625 single family units. Sales commenced in the first quarter of 2006.

Twin Eagles

Twin Eagles Golf and Country Club is a bundled golf community located adjacent to the community. Homes have been constructed in the project by Lennar Homes, Minto Homes and Arthur Rutenberg Homes ranging from 1,649 Sq. Ft. to 4,207 Sq. Ft. and priced from \$405k to \$2.3m. At build-out Twin Eagles is expected to contain approximately 648 single family units. Sales commenced in the second quarter of 2006.

Riverstone

Riverstone is a non-golf community located adjacent to the Development. Homes have been constructed in the project by GL Homes. At build out, Riverstone is expected to contain approximately 800 single family units (consisting of several different product lines ranging from approximately 1,853 square feet to 4,742 square feet and priced from \$376k to \$693k). Sales commenced in Riverstone in January 2012.

Treviso Bay

Treviso Bay is a bundled golf community located approximately 13 miles from the Development. Homes are being constructed by Lennar, Stock and Taylor Morrison. Homes sales commenced in January 2012. Treviso Bay is expected to contain approximately 1,450 units at build out (consisting of several different product lines ranging from approximately 1,107 square feet to 2,394 square feet and priced from \$425k to \$1m).

Olde Cypress

Olde Cypress is an existing golf community located adjacent to the Development. Homes are being constructed by Stock Development. Development commenced in 1999, but Stock Development began developing the final phase in January 2013 consisting of a product line ranging from 1,809 Sq. Ft. to 3,158 Sq. Ft. and priced from \$480k to \$630k. It is estimated that upon build out, Olde Cypress will contain approximately 540 units.

The information in this section has been obtained from third parties and public sources believed to be accurate, but cannot be certified as to its accuracy and is subject to change. This section does not purport to summarize all of the existing or planned communities in the area of the Development, but rather provide a description of those that the Developer believes pose primary competition to the Development.

Developer Agreements

As previously noted, the Developer will enter into a completion agreement that will obligate the Developer to complete any portions of the Phase 7 and Phase 8 Projects not funded with proceeds of the Series 2019 Bonds. In addition, the Developer will execute and deliver to the District a Collateral Assignment and Assumption of Development Rights (the "Collateral Assignment"), pursuant to which the Developer will collaterally assign to the District, to the extent assignable and to the extent that they are solely owned or controlled by the Developer, development rights relating to the Phase 7 and Phase 8 Projects and the development of the Series 2019 Special Assessment Area. Notwithstanding such Collateral Assignment, in the event the District forecloses on the lands subject to the Series 2019 Special Assessments as a result of a Developer's or subsequent landowners' failure to pay such assessments, there is a risk that the District will not have all permits and entitlements necessary to complete the Series 2019 Project or the development of the Series 2019 Special Assessment Area. Finally, the Developer will also enter into a True-Up Agreement in connection with its obligations to pay true-up payments in the event that debt levels remaining on unplatted lands in the Series 2019 Special Assessment Area increase above the maximum debt levels set forth in the Assessment Methodology. See "APPENDIX D: ASSESSMENT METHODOLOGY" herein for additional information regarding the "true-up mechanism." Such obligations of the Developer are unsecured obligations, and the Developer is a special-purpose entity whose assets consist primarily of its interests in the Series 2019 Special Assessment Area. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Phase 7 and Phase 8 Projects or the Construction of Homes within the District" and "THE DEVELOPER" herein for more information regarding the Developer.

THE DEVELOPER

[Taylor Morrison Esplanade Naples, LLC, a Florida limited liability company (the "Developer"), is a special purpose entity that owns all of the developable land in the Series 2019 Special Assessment Area. The Developer is a Florida limited liability company that was formed on December 22, 2011. Taylor Morrison of Florida, Inc., a Florida corporation ("Taylor Morrison of Florida"), owns a 99.999% interest in the Developer and the remaining 0.001% interest is owned by G and M Naples, a Florida limited liability company, which is an unaffiliated entity. Pursuant to a Memorandum of Agreement recorded on January 30, 2013 in the public records of the County at Book 4884 Page 1, any bulk sale or bulk disposition of District Lands by the Developer requires the unanimous consent of both members.]

The ultimate parent of Taylor Morrison of Florida is Taylor Morrison Home Corp. ("Taylor Morrison"). Taylor Morrison's principal business is residential homebuilding throughout the United States, with operations focused in Arizona, California, Colorado, Florida and Texas. Taylor Morrison's common shares trade on the New York Stock Exchange under the symbol THMC. Taylor Morrison is subject to the informational requirements of the Securities and Exchange Commission Act of 1934, as amended, and in accordance therewith files reports, proxy statements, and other information with the Securities and Exchange Commission (the "SEC"). The file number for Taylor Morrison is No. 0001-562476. Such reports, proxy statements, and other information can be inspected and copied at the Public Reference Section of the SEC, Room 1024, 450 Fifth Street NW, Judiciary Plaza, Washington, DC, and at the SEC's regional offices in Chicago (Northwestern Atrium Center, 500 West Madison Street, Suite 1400, Chicago, Illinois). Copies of such materials can be obtained by mail from the Public Reference Section of the SEC at prescribed rates. All documents subsequently filed by Taylor Morrison pursuant to the requirements of the Securities and Exchange Commission Act of 1934 after the date of this Limited Offering Memorandum will be available for inspection in the same manner as described above.

Neither the Developer nor any of the other entities listed above are guaranteeing payment of the Series 2019 Bonds or the Series 2019 Special Assessments. None of the entities listed herein, other than the Developer, has entered into any agreements in connection with the issuance of the Series 2019 Bonds.

[TAX MATTERS]

General

The Code establishes certain requirements which must be met subsequent to the issuance of the Series 2019 Bonds in order that interest on the Series 2019 Bonds be and remain excluded from gross income for purposes of federal income taxation. Non-compliance may cause interest on the Series 2019 Bonds to be included in federal gross income retroactive to the date of issuance of the Series 2019 Bonds, regardless of the date on which such non-compliance occurs or is ascertained. These requirements include, but are not limited to, provisions which prescribe yield and other limits within which the proceeds of the Series 2019 Bonds and the other amounts are to be invested and require that certain investment earnings on the foregoing must be rebated on a periodic basis to the Treasury Department of the United States. The District has covenanted in the Indenture with respect to the Series 2019 Bonds to comply with such requirements in order to maintain the exclusion from federal gross income of the interest on the Series 2019 Bonds.

In the opinion of Bond Counsel, assuming compliance with certain covenants, under existing laws, regulations, judicial decisions and rulings, interest on the Series 2019 Bonds (including any original issue discount properly allocable to the owner thereof) is excluded from gross income for purposes of federal income taxation. Interest on the Series 2019 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax. However, interest on the Series 2019 Bonds shall be taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax on corporations for taxable years that begin prior to January 1, 2018. The alternative minimum tax on corporations was repealed for taxable years beginning on and after January 1, 2018.

Except as described above, Bond Counsel will express no opinion regarding other federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of Series 2019 Bonds. Prospective purchasers of Series 2019 Bonds should be aware that the ownership of Series 2019 Bonds may result in collateral federal income tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry Series 2019 Bonds; (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by fifteen percent (15%) of certain items, including interest on Series 2019 Bonds; (iii) the inclusion of interest on Series 2019 Bonds in earnings of certain foreign corporations doing business in the United States for purposes of the branch profits tax; (iv) the inclusion of interest on Series 2019 Bonds in passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year; and (v) the inclusion of interest on Series 2019 Bonds in "modified adjusted gross income" by recipients of certain Social Security and Railroad Retirement benefits for the purposes of determining whether such benefits are included in gross income for federal income tax purposes.

As to questions of fact material to the opinion of Bond Counsel, Bond Counsel will rely upon representations and covenants made on behalf of the District, certificates of appropriate officers and certificates of public officials (including certifications as to the use of proceeds of the Series 2019 Bonds and of the property financed or refinanced thereby), without undertaking to verify the same by independent investigation.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2019 BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL

TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDOWNERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE BONDOWNERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

Information Reporting and Backup Withholding

Interest paid on tax-exempt bonds such as the Series 2019 Bonds is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the Series 2019 Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of Series 2019 Bonds, under certain circumstances, to "backup withholding" at the rate specified in the Code with respect to payments on the Series 2019 Bonds and proceeds from the sale of Series 2019 Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Series 2019 Bonds. This withholding generally applies if the owner of Series 2019 Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Series 2019 Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

Other Tax Matters Relating to the Series 2019 Bonds

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2019 Bonds. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2019 Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2019 Bonds and their market value. No assurance can be given that legislative proposals will not be enacted that would apply to, or have an adverse effect upon, the Series 2019 Bonds.

Prospective purchasers of the Series 2019 Bonds should consult their own tax advisors as to the tax consequences of owning the Series 2019 Bonds in their particular state or local jurisdiction and regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

On February 22, 2016, the Internal Revenue Service ("IRS") issued a notice of proposed rulemaking containing proposed regulations (the "Proposed Regulations") that provide guidance as to the definition of a political subdivision for purposes of the rules for tax-exempt bonds. If adopted, the Proposed Regulations would have affected certain State and local governments that issue tax-exempt bonds, including community development districts such as the District. However, on July 24, 2017, in response to Executive Order 13789 issued by President Trump (the "Executive Order"), the Secretary of the Treasury (the "Secretary") identified the Proposed Regulations among a list of eight regulations that (i) impose an undue financial burden on U.S. taxpayers; (ii) add undue complexity to the federal tax laws; or (iii) exceed the statutory authority of the IRS. On October 2, 2017, in his Second Report to the President on Identifying and Reducing Tax Regulatory Burdens, the Secretary reported that Treasury and the IRS believe that the Proposed Regulations should be withdrawn in their entirety, and the Treasury Department and the IRS withdrew the

Proposed Regulations on October 20, 2017. The Secretary further provided that Treasury and the IRS will continue to study the legal issues relating to political subdivisions and may propose more targeted guidance in the future.

Because the Proposed Regulations have been withdrawn, it is not possible to determine the extent to which all or a portion of the discussion herein regarding the Villages and the Villages TAM (each as defined below) may continue to be applicable in the absence of further guidance from the IRS. Bond Counsel will render its opinion regarding the exclusion from gross income of interest on the Series 2019 Bonds as described below.

On May 30, 2013, the IRS delivered to Village Center CDD, a Florida special district established under Chapter 190, Florida Statutes, a private ruling, called a technical advice memorandum (the "Villages TAM"), in connection with the examination by the IRS of bonds issued by the Village Center CDD (the "Audited Bonds"). The Villages TAM concluded that, despite having certain eminent domain powers, the Village Center CDD is not a political subdivision permitted to issue tax-exempt bonds based on a number of facts including that its governing board is elected by a small group of landowners, and that it "was organized and operated to perpetuate private control and avoid indefinitely responsibility to a public electorate, either directly or through another elected state or local governmental body."

The Villages TAM, as a private, non-precedential, ruling, binds only the IRS and the Village Center CDD, and only in connection with the Audited Bonds. Moreover, the cited legal basis for the Villages TAM is extremely limited, and, therefore, the value of the Villages TAM as guidance is also limited. Nonetheless, the breadth and force of the language used in the Villages TAM may reflect the disfavor of the IRS toward governmental entities with governing boards elected by landowners, and this position may lead the enforcement branch of the IRS to select bonds of other issuers with landowner-controlled boards for examination.

In July 2016, the IRS closed the examination of the Audited Bonds with no change to their tax-exempt status. Although the audit was closed with no adverse impact on the Audited Bonds, the IRS's motivations and rationale for closing the examination are unknown. The Village Center CDD refunded the Audited Bonds with taxable bonds in 2014.

Like the board of the Village Center CDD, the Board of Supervisors of the District is necessarily elected by the landowners in the District since there is not yet enough qualified electors residing within the District. The Act, which contains the uniform statutory charter for all community development districts and by which the District is governed, delegates to the District certain traditional sovereign powers including, but not limited to, eminent domain, ad valorem taxation and regulatory authority over rates, fees and charges for district facilities. On the basis of the Act and certain representations by the District forming a part of the District's tax certificate as to its reasonable expectations of transition to a resident-elected Board of Supervisors, it does not appear from the facts and circumstances that the District was organized to avoid indefinitely responsibility to a public electorate. On the basis of the foregoing and other factors, Bond Counsel has concluded that under current law the District is a political subdivision for purposes of Section 103 of the Code, notwithstanding that its Board of Supervisors is temporarily elected by landowners. Bond counsel intends to deliver its unqualified approving opinion in the form attached hereto as "APPENDIX B: PROPOSED FORM OF OPINION OF BOND COUNSEL."

The release of the Villages TAM may cause an increased risk of examination of the Series 2019 Bonds. Owners of the Series 2019 Bonds are advised that if the IRS does audit the Series 2019 Bonds, under its current procedures, at least during the early stages of an audit, the IRS will treat the District as the taxpayer, and the owners of the Series 2019 Bonds may have limited rights to participate in such procedure. The Indenture does not provide for any adjustment to the interest rates borne by the Series 2019 Bonds in

the event of a change in the tax-exempt status of the Series 2019 Bonds. The commencement of an audit or an adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2019 Bonds could adversely impact both liquidity and pricing of the Series 2019 Bonds in the secondary market.

[Tax Treatment of Original Issue Discount]

[Under the Code, the difference between the maturity amount of the Series 2019 Bonds maturing on _____ 1, 20__ through and including _____ 1, 20__ (collectively, the "Discount Bonds"), and the initial offering price to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers, at which price a substantial amount of the Discount Bonds of the same maturity and, if applicable, interest rate, was sold is "original issue discount." Original issue discount will accrue over the term of the Discount Bonds at a constant interest rate compounded periodically. A purchaser who acquires the Discount Bonds in the initial offering at a price equal to the initial offering price thereof to the public will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period he or she holds the Discount Bonds, and will increase his or her adjusted basis in the Discount Bonds by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or disposition of the Discount Bonds. The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of the Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those above. Bondowners of the Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, redemption or other disposition of the Discount Bonds and with respect to the state and local tax consequences of owning and disposing of the Discount Bonds.]

AGREEMENT BY THE STATE

Under the Act, the State of Florida pledges to the holders of any bonds issued thereunder, including the Series 2019 Bonds, that it will not limit or alter the rights of the District to own, acquire, construct, reconstruct, improve, maintain, operate or furnish the projects subject to the Act or to levy and collect taxes, assessments, rentals, rates, fees, and other charges provided for in the Act and to fulfill the terms of any agreement made with the holders of such bonds and that it will not in any way impair the rights or remedies of such holders.

LEGALITY FOR INVESTMENT

The Act provides that the Series 2019 Bonds are legal investments for savings banks, banks, trust companies, insurance companies, executors, administrators, trustees, guardians, and other fiduciaries, and for any board, body, agency, instrumentality, county, municipality or other political subdivision of the State of Florida, and constitute securities which may be deposited by banks or trust companies as security for deposits of state, county, municipal or other public funds, or by insurance companies as required or voluntary statutory deposits.

SUITABILITY FOR INVESTMENT

In accordance with applicable provisions of Florida law, the Series 2019 Bonds may initially be sold by the District only to "accredited investors" within the meaning of Chapter 517, Florida Statutes and the rules promulgated thereunder. The limitation of the initial offering to Accredited Investors does not denote restrictions on transfer in any secondary market for the Series 2019 Bonds. Investment in the Series 2019 Bonds poses certain economic risks. No dealer, broker, salesperson or other person has been

authorized by the District or the Underwriter to give any information or make any representations, other than those contained in this Limited Offering Memorandum.

ENFORCEABILITY OF REMEDIES

The remedies available to the Owners of the Series 2019 Bonds upon an event of default under the Indenture are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including the federal bankruptcy code, the remedies specified by the Indenture and the Series 2019 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2019 Bonds will be qualified as to the enforceability of the remedies provided in the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery.

LITIGATION

The District

There is no litigation of any nature now pending or, to the knowledge of the District threatened, seeking to restrain or enjoin the issuance, sale, execution or delivery of the Series 2019 Bonds, or in any way contesting or affecting (i) the validity of the Series 2019 Bonds or any proceedings of the District taken with respect to the issuance or sale thereof, (ii) the pledge or application of any moneys or security provided for the payment of the Series 2019 Bonds, (iii) the existence or powers of the District or (iv) the validity of the Assessment Proceedings.

The Developer

The Developer has represented that there is no litigation of any nature now pending or, to the knowledge of the Developer, threatened, which could reasonably be expected to have a material and adverse effect upon the ability of the Developer to complete the Development, the Phase 7 and 8 Projects or the CIP as described herein, materially and adversely affect the ability of the Developer to pay the Series 2019 Special Assessments imposed against the land within the District owned by the Developer or materially and adversely affect the ability of the Developer to perform its various obligations described in this Limited Offering Memorandum.

CONTINGENT FEES

The District has retained Bond Counsel, District Counsel, the Consulting Engineer, the Methodology Consultant, the Underwriter (who has retained Underwriter's Counsel) and the Trustee (who has retained Trustee's Counsel), with respect to the authorization, sale, execution and delivery of the Series 2019 Bonds. Except for the payment of fees to the Consulting Engineer and the Methodology Consultant, the payment of fees of the other professionals is each contingent upon the issuance of the Series 2019 Bonds.

NO RATING

No application for a rating for the Series 2019 Bonds has been made to any rating agency, nor is there any reason to believe that an investment grade rating for the Series 2019 Bonds would have been obtained if application had been made.

EXPERTS

The Engineer's Report included as Appendix C to this Limited Offering Memorandum has been prepared by Waldrop Engineering, P.A., Bonita Springs, Florida, the Consulting Engineer. Appendix C should be read in its entirety for complete information with respect to the subjects discussed therein. JP Ward and Associates, LLC, Oakland Park, Florida, as Methodology Consultant, has prepared the Assessment Methodology set forth as Appendix D hereto. Appendix D should be read in its entirety for complete information with respect to the subjects discussed therein. As a condition to closing on the Series 2019 Bonds, both the Consulting Engineer and the Methodology Consultant will consent to the inclusion of their reports in this Limited Offering Memorandum.

FINANCIAL INFORMATION

This District has covenanted in the form of Continuing Disclosure Agreement set forth in Appendix E hereto to provide its annual audited financial statements to the Municipal Securities Rulemaking Board ("MSRB") through the MSRB's Electronic Municipal Market Access system ("EMMA"), commencing with the audit for the District fiscal year ended September 30, 2019. Attached hereto as Appendix F is a copy of the District's most recent audited financial statements for the fiscal year ended September 30, 2018 and the District's most recent unaudited financial statements for the period ended [____], 2019. Such financial statements, including the auditors' report for the audited financial statements, have been included in this Limited Offering Memorandum as public documents and consent from the auditors was not requested. The Series 2019 Bonds are not general obligation bonds of the District and are payable solely from the Pledged Revenues.

Beginning October 1, 2015, community development districts in Florida must have a separate website with certain information as set forth in Section 189.069, F.S. Under such statute, each district must post its proposed budget and final budget and a link to the auditor general's website (and the district's audit) on a district website or the website of the municipal or county government. The District currently has a website in place and is in compliance with such statute.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Section 517.051, Florida Statutes, and the regulations promulgated thereunder requires that the District make a full and fair disclosure of any bonds or other debt obligations that it has issued or guaranteed and that are or have been in default as to principal or interest at any time after December 31, 1975 (including bonds or other debt obligations for which it has served only as a conduit issuer such as industrial development or private activity bonds issued on behalf of private business).

The District is not and has not been in default on any bonds or other debt obligations since December 31, 1975.

CONTINUING DISCLOSURE

The District and the Developer will enter into the Continuing Disclosure Agreement (the "Disclosure Agreement") in the form of Appendix E, for the benefit of the Series 2019 Bondholders (including owners of beneficial interests in such Series 2019 Bonds), respectively, to provide certain financial information and operating data relating to the District and the Development by certain dates prescribed in the Disclosure Agreement (the "Reports") with the MSRB through the MSRB's EMMA system. The specific nature of the information to be contained in the Reports is set forth in "APPENDIX E: PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT." Under certain circumstances, the failure of the District or the Developer to comply with their respective obligations under the Disclosure

Agreement constitutes an event of default thereunder. Such a default will not constitute an event of default under the Indenture, but such event of default under the Disclosure Agreement would allow the Series 2019 Bondholders (including owners of beneficial interests in such Series 2019 Bonds), as applicable, to bring an action for specific performance.

The District and Developer previously entered into continuing disclosure undertakings pursuant to Rule 15c2-12, promulgated under the Securities Exchange Act of 1934, as amended (the "Rule"), with respect to the District's Series 2013 Bonds, its Series 2015 Phase 3 Bonds, its Series 2015 Phase 4 Bonds its Series 2016 Bonds and its Series 2017 Bonds (the "Prior Bonds"). [A review of filings made pursuant to such prior undertakings indicates that certain filings required to be made by the District and the Developer were either not filed or not timely filed and that notices of such missed and late filings were not provided.] The District and Developer fully anticipate satisfying all future disclosure obligations required pursuant to its continuing disclosure undertakings, including the Disclosure Agreement, and the Rule. The District has appointed Lerner Reporting Services, Inc. to serve as the dissemination agent for the Series 2019 Bonds.

UNDERWRITING

FMSbonds, Inc. (the "Underwriter"), has agreed, pursuant to a contract with the District, subject to certain conditions, to purchase the Series 2019 Bonds from the District at a purchase price of \$ _____ (par amount of the Series 2019 Bonds, [plus/less original issue premium/discount of \$ _____ and] and less Underwriter's discount of \$ _____). The Underwriter's obligations are subject to certain conditions precedent and the Underwriter will be obligated to purchase all of the Series 2019 Bonds if any are purchased.

The Underwriter intends to offer the Series 2019 Bonds to accredited investors at the offering prices set forth on the cover page of this Limited Offering Memorandum, which may subsequently change without prior notice. The Series 2019 Bonds may be offered and sold to certain dealers, banks and others at prices lower than the initial offering prices, and such initial offering prices may be changed from time to time by the Underwriter.

VALIDATION

The Series 2019 Bonds are one of a series of bonds that were validated by a Final Judgment of the Circuit Court in and for Collier County on October 29, 2013. The period for appeal of the judgment of validation of such capital improvement revenue bonds, which includes the Series 2019 Bonds, expired with no appeal having been filed.

LEGAL MATTERS

Certain legal matters related to the authorization, sale and delivery of the Series 2019 Bonds are subject to the approval of Bryant Miller Olive P.A., Orlando, Florida, Bond Counsel. Certain legal matters will be passed upon for the District by its counsel Coleman, Yovanovich & Koester, P.A., Naples, Florida, for the Developer by its counsel, J. Wayne Crosby, P.A., Winter Park, Florida, and for the Underwriter by its counsel, GrayRobinson, P.A., Tampa, Florida. GrayRobinson, P.A. has previously provided, and may continue to provide, legal services to the Developer in connection with the Development. Coleman, Yovanovich & Koester, P.A., Naples, Florida, has previously provided, and may continue to provide, legal services to Stock Development and its affiliates in connection with the Development.

Bond Counsel's opinions included herein are based on existing law, which is subject to change. Such opinions are further based on factual representations made to Bond Counsel as of the date hereof. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances

that may thereafter come to Bond Counsel's attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, Bond Counsel's opinions are not a guarantee of a particular result, and are not binding on the Internal Revenue Service or the courts; rather, such opinions represent Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinion.

MISCELLANEOUS

Any statements made in this Limited Offering Memorandum involving matters of opinion or estimates, whether or not expressly so stated, are set forth as such and not as representations of fact, and no representations are made that any of the estimates will be realized.

The references herein to the Series 2019 Bonds and other documents referred to herein are brief summaries of certain provisions thereof. Such summaries do not purport to be complete and reference is made to such documents for full and complete statements of such provisions.

This Limited Offering Memorandum is submitted in connection with the sale of the Series 2019 Bonds and may not be reproduced or used, as a whole or in part, for any purpose. This Limited Offering Memorandum is not to be construed as a contract with the purchaser or the Beneficial Owners of any of the Series 2019 Bonds.

AUTHORIZATION AND APPROVAL

The execution and delivery of this Limited Offering Memorandum has been duly authorized by the Board of Supervisors of the District.

**FLOW WAY COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Chair, Board of Supervisors

APPENDIX A

**COPY OF MASTER TRUST INDENTURE AND PROPOSED FORM OF SIXTH
SUPPLEMENTAL TRUST INDENTURE**

APPENDIX B

PROPOSED FORM OF OPINION OF BOND COUNSEL

APPENDIX C
ENGINEER'S REPORT

APPENDIX D
ASSESSMENT METHODOLOGY

APPENDIX E

PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT

APPENDIX F
DISTRICT'S FINANCIAL STATEMENTS

EXHIBIT D

FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT (this "Disclosure Agreement"), dated as of July __, 2018, is executed and delivered by the **FLOW WAY COMMUNITY DEVELOPMENT DISTRICT** (the "District" or the "Issuer"), **TAYLOR MORRISON ESPLANADE NAPLES, LLC**, a Florida limited liability company (the "Developer"), and **LERNER REPORTING SERVICES, INC.**, a Florida corporation (the "Dissemination Agent") in connection with the issuance of the Issuer's Special Assessment Bonds, Series 2019 (Phase 8 Project) (the "Bonds"). The Bonds are being issued pursuant to the Master Trust Indenture dated as of December 1, 2013 (the "Master Indenture"), as supplemented and amended by the Sixth Supplemental Trust Indenture dated as of July 1, 2019 (the "Fifth Supplement" and together with the Master Indenture, the "Indenture"), between the District and **U.S. BANK NATIONAL ASSOCIATION**, a national banking association duly organized and existing under the laws of the United States of America and having a designated corporate trust office in Ft. Lauderdale, Florida, as successor trustee (the "Trustee"). For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in consideration of the mutual promises and other considerations contained herein, the District, the Developer, and the Dissemination Agent covenant and agree as follows:

Section 1. Purpose of this Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the District, the Dissemination Agent and the Developer for the benefit of the Beneficial Owners (as defined herein) of the Bonds and to assist the Participating Underwriter (as defined herein) of the Bonds in complying with the Rule (as defined herein). The District has no reason to believe that this Disclosure Agreement does not satisfy the requirements of the Rule and the execution and delivery of this Disclosure Agreement is intended to comply with the Rule. To the extent it is later determined by a court of competent jurisdiction, a governmental regulatory agency, or an attorney specializing in federal securities law, that the Rule requires the District or other Obligated Person to provide additional information, the District and each Obligated Person agree to promptly provide such additional information.

The provisions of this Disclosure Agreement are supplemental and in addition to the provisions of the Indenture with respect to reports, filings and notifications provided for therein, and do not in any way relieve the District, the Trustee or any other person of any covenant, agreement or obligation under the Indenture (or remove any of the benefits thereof) nor shall anything herein prohibit the District, the Trustee or any other person from making any reports, filings or notifications required by the Indenture or any applicable law, rule or regulation.

Section 2. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Indenture. The following capitalized terms as used in this Disclosure Agreement shall have the following meanings:

"Annual Filing Date" means the date set forth in Section 3(a) hereof by which the Annual Report is to be filed with each Repository.

"Annual Financial Information" means annual financial information as such term is used in paragraph (b)(5)(i)(A) of the Rule and specified in Section 4(a) of this Disclosure Agreement.

"Annual Report" shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"Assessment Area" shall mean that portion of the District lands subject to Series 2019 Special Assessments.

"Audited Financial Statements" means the financial statements of the Issuer for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 4(a) of this Disclosure Agreement.

"Audited Financial Statements Filing Date" means the date set forth in Section 3(a) hereof by which the Audited Financial Statements are to be filed with each Repository if the same are not included as part of the Annual Report.

"Beneficial Owner" shall mean any person which, (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Business Day" means any day other than (a) a Saturday, Sunday or day on which banks located in the city in which the designated corporate trust office of the Trustee is located are required or authorized by law or executive order to close for business and (b) a day on which the New York Stock Exchange is closed.

"Disclosure Representative" shall mean (i) as to the Issuer, the District Manager or its designee, or such other person as the Issuer shall designate in writing to the Dissemination Agent from time to time as the person responsible for providing information to the Dissemination Agent; and (ii) as to each entity comprising an Obligated Person (other than the Issuer), the individuals executing this Disclosure Agreement on behalf of such entity or such person(s) as such entity shall designate in writing to the Dissemination Agent from time to time as the person(s) responsible for providing information to the Dissemination Agent.

"Dissemination Agent" means the Issuer or any entity appointed by the Issuer to act in the capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Issuer pursuant to Section 8 hereof. Lerner Reporting Services, Inc. has been designated as the initial Dissemination Agent hereunder.

"District Manager" shall mean the person or entity serving as District Manager from time to time.

"EMMA" means the Electronic Municipal Market Access System for municipal securities disclosures located at <http://emma.msrb.org/>.

"EMMA Compliant Format" shall mean a format for any document provided to the MSRB (as hereinafter defined) which is in an electronic format and is accompanied by identifying information, all as prescribed by the MSRB.

"Financial Obligation" means a (a) debt obligation, (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) guarantee of an obligation or instrument described in either clause (a) or (b). Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" shall mean the period commencing on October 1 and ending on September 30 of the next succeeding year, or such other period of time provided by applicable law.

"Limited Offering Memorandum" means that Limited Offering Memorandum dated _____, 2018 prepared in connection with the issuance of the Bonds.

"Listed Event" shall mean any of the events listed in Section 6(a) of this Disclosure Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board.

"Obligated Person(s)" shall mean, with respect to the Bonds, those person(s) who either generally or through an enterprise, fund, or account of such persons are committed by contract or other arrangement to support payment of all or a part of the obligations on such Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), which person(s) shall include the Issuer, and for the purposes of this Disclosure Agreement, the Developer and its affiliates, successors or assigns (excluding homebuyers who are end users), for so long as the Developer or its affiliates, successors or assigns (excluding homebuyers who are end users) are the owner of District lands responsible for payment of at least 20% of the Series 2019 Special Assessments.

"Participating Underwriter" shall mean FMSbonds, Inc.

"Quarterly Filing Date" shall mean for the quarter ending: (i) March 31, each May 1; (ii) June 30, each August 1; (iii) September 30, each November 1; and (iv) December 31, each February 1 of the following year. The first Quarterly Filing Date shall be [November] 1, 2019.

"Quarterly Report" shall mean any Quarterly Report provided by any Obligated Person (other than the Issuer) pursuant to, and as described in, Section 5 of this Disclosure Agreement.

"Repository" shall mean each entity authorized and approved by the SEC (as hereinafter defined) from time to time to act as a repository for purposes of complying with the Rule. The Repositories approved by the SEC may be found by visiting the SEC's website at <http://www.sec.gov/info/municipal/nrmsir.htm>. As of the date hereof, the Repository recognized by the SEC for such purpose is the MSRB, which currently accepts continuing disclosure submissions through its EMMA web portal. As used herein, "Repository" shall include the State Repository, if any.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same has and may be amended from time to time.

"SEC" means the Securities and Exchange Commission.

"Series 2019 Special Assessments" shall mean the non-ad valorem Series 2019 Special Assessments pledged to the payment of the Bonds pursuant to the Indenture which Series 2019 Special Assessments are levied on that portion of the District Lands specifically benefited by the Phase 8 Project or any portion thereof.

"State" shall mean the State of Florida.

"State Repository" shall mean any public or private repository or entity designated by the State as a state repository for the purposes of the Rule.

Section 3. Provision of Annual Reports.

(a) Subject to the following sentence, the Issuer shall provide the Annual Report to the Dissemination Agent no later than one hundred eighty (180) days after the close of the Issuer's

Fiscal Year (the "Annual Filing Date"), commencing with the Annual Report for the Fiscal Year ended September 30, 2019. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement; provided that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report, and may be submitted in accordance with State law, which currently requires such Audited Financial Statements to be provided up to, but no later than, nine (9) months after the close of the Issuer's Fiscal Year (the "Audited Financial Statements Filing Date"). The Issuer shall, or shall cause the Dissemination Agent to, provide to the Repository the components of an Annual Report which satisfies the requirements of Section 4(a) of this Disclosure Agreement within thirty (30) days after same becomes available, but in no event later than the Annual Filing Date or Audited Financial Statements Filing Date, if applicable. If the Issuer's Fiscal Year changes, the Issuer shall give notice of such change in the same manner as for a Listed Event under Section 6.

(b) If on the fifteenth (15th) day prior to each Annual Filing Date or the Audited Financial Statements Filing Date, as applicable, the Dissemination Agent has not received a copy of the Annual Report or Audited Financial Statements, as applicable, the Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be via email) to remind the Issuer of its undertaking to provide the Annual Report or Audited Financial Statements, as applicable, pursuant to Section 3(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Report or the Audited Financial Statements, as applicable, in accordance with Section 3(a) above, or (ii) advise the Dissemination Agent in writing that the Issuer will not be able to file the Annual Report or Audited Financial Statements, as applicable, within the times required under this Disclosure Agreement, state the date by which the Annual Report or the Audited Financial Statements for such year, as applicable, will be provided and instruct the Dissemination Agent that a Listed Event as described in Section 6(a)(xv) has occurred and to immediately send a notice to the Repository in substantially the form attached hereto as Exhibit A.

(c) If the Dissemination Agent has not received an Annual Report by 12:00 noon on the first (1st) Business Day following the Annual Filing Date for the Annual Report or the Audited Financial Statements by 12:00 noon on the first (1st) Business Day following the Audited Financial Statements Filing Date for the Audited Financial Statements, then a Listed Event as described in Section 6(a)(xv) shall have occurred and the Issuer irrevocably directs the Dissemination Agent to immediately send a notice to the Repository in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall:

(i) determine each year prior to the Annual Filing Date the name, address and filing requirements of the Repository; and

(ii) promptly upon fulfilling its obligations under subsection (a) above, file a notice with the Issuer stating that the Annual Report or Audited Financial Statement has been provided pursuant to this Disclosure Agreement, stating the date(s) it was provided and listing all Repositories with which it was filed.

(e) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Disclosure Agreement shall be provided in an EMMA Compliant Format.

Section 4. Content of Annual Reports.

(a) Each Annual Report shall contain Annual Financial Information with respect to the District, including:

(i) The amount of Series 2019 Special Assessments levied for the most recent prior Fiscal Year.

(ii) The amount of Series 2019 Special Assessments collected during the most recent Fiscal Year.

(iii) If available, the amount of delinquencies greater than one hundred fifty (150) days, and, in the event that delinquencies amount to more than ten percent (10%) of the amounts of Series 2019 Special Assessments due in any year, a list of delinquent property owners.

(iv) If available, the amount of tax certificates sold for lands within the Assessment Area, if any, and the balance, if any, remaining for sale from the most recent Fiscal Year.

(v) All fund balances in all Funds and Accounts for the Bonds.

(vi) The total amount of Outstanding Bonds.

(vii) The amount of principal and interest to be paid on the Bonds in the current Fiscal Year.

(viii) The most recent Audited Financial Statements of the District.

To the extent any of the items set forth in subsections (i) through (vii) above are included in the Audited Financial Statements referred to in subsection (viii) above, they do not have to be separately set forth (unless Audited Financial Statements are being delivered more than 180 days after the close of the Issuer's Fiscal Year pursuant to Section 3(a) hereof). Any or all of the items listed above may be incorporated by reference from other documents, including limited offering memorandums and official statements of debt issues of the District or related public entities, which have been submitted to the MSRB or the SEC. If the document incorporated by reference is a final limited offering memorandum or official statement, it must be available from the MSRB. The District shall clearly identify each such other document so incorporated by reference.

(b) The Issuer and each Obligated Person agree to supply, in a timely fashion, any information reasonably requested by the Dissemination Agent that is necessary in order for the Dissemination Agent to carry out its duties under this Disclosure Agreement. The Issuer acknowledges and agrees that the information to be collected and disseminated by the Dissemination Agent will be provided by the Issuer, Obligated Persons and others. The Dissemination Agent's duties do not include authorship or production of any materials, and the Dissemination Agent shall have no responsibility hereunder for the content of the information provided to it by the Issuer, an Obligated Person or others as thereafter disseminated by the Dissemination Agent.

(c) Any Annual Financial Information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

Section 5. Quarterly Reports.

(a) Each Obligated Person (other than the Issuer), or the Developer on behalf of any other Obligated Person that fails to execute an Assignment (as hereinafter defined), shall provide an electronic copy of the Quarterly Report to the Dissemination Agent no later than fifteen (15) days prior to the Quarterly Filing Date. Promptly upon receipt of an electronic copy of the Quarterly Report, but in any event within ten (10) days after receipt thereof, the Dissemination Agent shall provide a Quarterly Report to the Repository.

(b) Each Quarterly Report shall contain an update of the following information with respect to such Obligated Person for the Bonds, to the extent available:

(i) The number and type of lots in the Assessment Area subject to the Assessments.

(ii) The number and type of lots owned in the Assessment Area by the Obligated Person.

(iii) The number and type of lots platted in the Assessment Area.

(iv) The number and type of homes under contract with homebuyers in the Assessment Area, if applicable.

(v) The number and type of homes closed with homebuyers (delivered to end users) in the Assessment Area.

(vi) Any change to the number or type of lots planned to be developed in the Assessment Area by the Obligated Person.

(vii) Materially adverse changes or determinations to permits/approvals for the development of the Assessment Area which necessitate changes to the land use plans of any Obligated Person.

(viii) The occurrence of any new or modified mortgage debt on the land owned by the Obligated Person in the Assessment Area, including the amount, interest rate and terms of repayment.

(c) If an Obligated Person sells, assigns or otherwise transfers ownership of real property in an Assessment Area (a "Transferor Obligated Person") to a third party (a "Transferee"), which will in turn be an Obligated Person for purposes of this Disclosure Agreement as a result thereof (a "Transfer"), the Transferor Obligated Person hereby agrees to use its best efforts to contractually obligate such Transferee to agree to comply with the disclosure obligations of an Obligated Person hereunder for so long as such Transferee is an Obligated Person hereunder, to the same extent as if such Transferee were a party to this Disclosure Agreement (an "Assignment"). The Transferor Obligated Person shall notify the District and the Dissemination Agent in writing of any Transfer within five (5) Business Days of the occurrence thereof. Nothing herein shall be construed to relieve the Developer from its respective obligations hereunder except to the extent a

written Assignment from a Transferee is obtained and delivered to the Dissemination Agent and then only to the extent of such Assignment.

Section 6. Reporting of Significant Events.

(a) This Section 6 shall govern the giving of notices of the occurrence of any of the following events:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on the Debt Service Reserve Fund reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;*
- (v) Substitution of credit or liquidity providers, or their failure to perform;*
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bond holders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;*
- (xii) Bankruptcy, insolvency, receivership or similar event of the Issuer or any Obligated Person (which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer or any Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer or any Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer or any Obligated Person);
- (xiii) Consummation of a merger, consolidation, or acquisition involving the Issuer or any Obligated Person or the sale of all or substantially all of the assets of the Issuer or any

* The Bonds are not rated or enhanced.

Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional Trustee or the change of name of the Trustee, if material;

(xv) Incurrence of a Financial Obligation of the Issuer or Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer or Obligated Person, any of which affect security holders, if material;

(xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the Financial Obligation of the Issuer or Obligated Person, any of which reflect financial difficulties; and

(xvii) Failure to provide (A) any Annual Report or Audited Financial Statements as required under this Disclosure Agreement that contains, in all material respects, the information required to be included therein under Section 4(a) of this Disclosure Agreement, or (B) any Quarterly Report that contains, in all material respects, the information required to be included therein under Section 5(b) of this Disclosure Agreement, which failure shall, in all cases, be deemed material under federal securities laws.

(b) The Issuer shall, in a timely manner not in excess of ten (10) Business Days after its occurrence, notify the Dissemination Agent in writing of the occurrence of a Listed Event. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (d) below. Such notice shall identify the Listed Event that has occurred, include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth (10th) Business Day after the occurrence of the Listed Event).

(c) Each Obligated Person with respect to the Bonds shall notify the Issuer of the occurrence of a Listed Event described in subsections (a)(x), (xii), (xiii), (xv) or (xvi) above as to such Obligated Person within five (5) Business Days after the occurrence of the Listed Event so as to enable the Issuer to comply with its obligations under this Section 6.

(d) If the Dissemination Agent has been instructed by the Issuer to report the occurrence of a Listed Event, the Dissemination Agent shall immediately file a notice of such occurrence with each Repository.

(e) The Landowners hereby represent and warrant that, except as may be disclosed in the Preliminary Limited Offering Memorandum, they have not previously failed to comply with any continuing disclosure obligations as required in a continuing disclosure agreement entered into in connection with a prior offering of securities in order to enable the underwriter of said securities to comply with the provisions of the Rule.

Section 7. Termination of this Disclosure Agreement. This Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

Section 8. Dissemination Agent. The District has appointed Lerner Reporting Services, Inc. to serve as the initial Dissemination Agent. The acceptance of such designation is evidenced by the execution of this Disclosure Agreement by a duly authorized signatory of Lerner Reporting Services, Inc.

Lerner Reporting Services, Inc. may terminate its role as Dissemination Agent at any time upon delivery of written notice to the District and each Obligated Person. Upon termination of the Dissemination Agent's services as Dissemination Agent, whether by notice of the Issuer or the Dissemination Agent, the Issuer agrees to appoint a successor Dissemination Agent or, alternatively, agrees to assume all responsibilities of Dissemination Agent under this Disclosure Agreement for the benefit of the holders of the Bonds. If at any time there is not any other designated Dissemination Agent, the District shall be deemed to be the Dissemination Agent. Notwithstanding any replacement or appointment of a successor, the Issuer shall remain liable until payment in full for any and all sums owed and payable to the Dissemination Agent hereunder.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the District and the Dissemination Agent may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, acceptable to the District, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

Notwithstanding the above provisions of this Section 9, no amendment to the provisions of Section 5(b) hereof may be made without the consent of each Obligated Person.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the District shall describe such amendment or waiver in the next Annual Report and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change in accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements: (i) notice of such change shall be given in the same manner as for a Listed Event under Section 6(b); and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the District shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. In the event of a failure of the District, any Obligated Person, the Disclosure Representative or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Trustee shall (at the request of any Participating Underwriter or the Beneficial Owners of at least twenty-five percent (25%) of the aggregate principal amount of Outstanding Bonds and receipt of indemnity satisfactory to the Trustee) or any Beneficial Owner of a Bond may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the District, any Obligated Person, the Disclosure Representative or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement by any Obligated Person shall not be deemed a default by the District hereunder and no default hereunder shall be deemed an Event of Default under the Indenture, and the sole remedy under this

Disclosure Agreement in the event of any failure of the District, the Disclosure Representative, any Obligated Person, or the Dissemination Agent, to comply with this Disclosure Agreement shall be an action to compel performance.

Section 12. Duties of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement between the District, the Developer and such Dissemination Agent. The Dissemination Agent shall have no obligation to notify any other party hereto of an event that may constitute a Listed Event. The District, each Obligated Person and the Disclosure Representative covenant that they will supply, in a timely fashion, any information reasonably requested by the Dissemination Agent that is necessary in order for the Dissemination Agent to carry out its duties under this Disclosure Agreement. The District, the Developer and the Disclosure Representative acknowledge and agree that the information to be collected and disseminated by the Dissemination Agent will be provided by the District, Obligated Person(s), the Disclosure Representative and others. The Dissemination Agent's duties do not include authorship or production of any materials, and the Dissemination Agent shall have no responsibility hereunder for the content of the information provided to it by the District, any Obligated Person or the Disclosure Representative as thereafter disseminated by the Dissemination Agent. Any filings under this Disclosure Agreement made to the MSRB through EMMA shall be in an EMMA Compliant Format.

Section 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the District, the Developer, the Dissemination Agent, the Trustee, the Participating Underwriter and the Owners of the Bonds (the Trustee, the Participating Underwriter and the Owners of the Bonds being hereby deemed express third party beneficiaries of this Disclosure Agreement), and shall create no rights in any other person or entity.

Section 14. Counterparts. This Disclosure Agreement may be executed in several counterparts and by PDF signature, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 15. Tax Roll and Budget. Upon the request of the Dissemination Agent, the Trustee or any Bondholder, the District, through its District Manager, if applicable, agrees to provide such party with a certified copy of its most recent tax roll provided to the Collier County Tax Collector and its most recent adopted budget.

Section 16. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Florida and Federal law and venue shall be in Collier County, Florida.

Section 17. Trustee Cooperation. The District represents that the Dissemination Agent is a bona fide agent of the District and the District instructs the Trustee to deliver to the Dissemination Agent at the expense of the District, any information or reports the Dissemination Agent requests in writing that are readily available and in the possession of the Trustee.

Section 18. Binding Effect. This Disclosure Agreement shall be binding upon each party to this Disclosure Agreement and upon each successor and assignee of each party to this Disclosure Agreement and shall inure to the benefit of, and be enforceable by, each party to this Disclosure Agreement and each successor and assignee of each party to this Disclosure Agreement. Notwithstanding the foregoing, as to the Developer or any assignee or successor thereto that becomes an Obligated Person pursuant to the terms of this Disclosure Agreement, only successor or assignees to such parties who are, by definition, Obligated Persons, shall be bound or benefited by this Disclosure Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned have executed this Disclosure Agreement as of the date and year set forth above.

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

ATTEST:

Assistant Secretary

By: _____
Chairperson, Board of Supervisors

TAYLOR MORRISON ESPLANADE NAPLES, LLC, a Florida limited liability company, as Developer

By: Taylor Morrison of Florida, Inc., its manager and majority member

By: _____
Name: _____
Title: _____

LERNER REPORTING SERVICES, INC., a Florida corporation, as Dissemination Agent

By: _____
Name: _____
Title: _____

Consent to and agreed to by District Manager:

JPWARD AND ASSOCIATES, LLC, a Florida limited liability company,

By: _____
Name: _____
Title: _____

Acknowledged and agreed to for purposes of Sections 11, 13 and 17 only:

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

EXHIBIT A

FORM OF NOTICE TO REPOSITORIES OF FAILURE TO FILE [ANNUAL REPORT/AUDITED FINANCIAL STATEMENTS/QUARTERLY REPORT]

Name of Issuer: Flow Way Community Development District

Name of Bond Issue: \$_____ original aggregate principal amount of Flow Way Community Development District (Collier County, Florida) Special Assessment Bonds, Series 2019 (Phase 8 Project) (the "Bonds")

Obligated Person(s): Flow Way Community Development District;
[_____]

Date of Issuance: July __, 2018

CUSIP Numbers: _____

NOTICE IS HEREBY GIVEN that the [Issuer][Obligated Person] has not provided an [Annual Report] [Audited Financial Statements][Quarterly Report] with respect to the above-named Bonds as required by [Section 3][Section 5] of the Continuing Disclosure Agreement dated July __, 2018 by and between the Issuer, Taylor Morrison Esplanade Naples, LLC, and the Dissemination Agent named therein. The [Issuer][Obligated Person] has advised the undersigned that it anticipates that the [Annual Report] [Audited Financial Statements] [Quarterly Report] will be filed by _____, 20__.

Dated: _____

_____, as Dissemination Agent

By: _____

Name: _____

Title: _____

cc: Issuer
Obligated Person
Trustee

EXHIBIT E

FORM OF TRUE-UP AGREEMENT

This instrument prepared by and
after recording return to:
Gregory L. Urbancic, Esq.
Coleman, Yovanovich & Koester, P.A.
4001 Tamiami Tr. N., Suite 300
Naples, FL 34103

(space above this line for recording data)

TRUE-UP AGREEMENT

THIS TRUE-UP AGREEMENT (this “**Agreement**”) is made and entered into as of this _____ day of _____, 2019, by and between **FLOW WAY COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special-purpose government established pursuant to Chapter 190, Florida Statutes, whose address is c/o JPWard & Associates, LLC, 2900 Northeast 12th Terrace, Suite 1, Oakland Park, FL 33334 (the “**District**”), and **TAYLOR MORRISON ESPLANADE NAPLES, LLC**, a Florida limited liability company and landowner in the District, whose address is 551 N. Cattlemen Rd., Suite 200, Sarasota, FL 34232 (the “**Developer**”).

RECITALS

WHEREAS, the District was established by ordinance of the Board of County Commissioners of Collier County, Florida for the purpose of planning, financing, constructing, acquiring, operating and/or maintaining certain infrastructure, including, but not limited to, roadways, water and sewer utilities, stormwater management, entranceway improvements, landscaping, and other infrastructure authorized by Chapter 190, Florida Statutes; and

WHEREAS, the Developer is the owner of certain lands in Collier County, Florida, located within the boundaries of the District and legally described on **Exhibit “A”** attached hereto and made a part hereof (the “**Land**”); and

WHEREAS, the District, pursuant to Chapter 190, Florida Statutes, is authorized to levy such taxes, special assessments, fees and other charges as may be necessary in furtherance of the District’s activities and services; and

WHEREAS, a Final Judgment was issued on October 29, 2013 validating the authority of the District to issue up to \$45,000,000 in aggregate principal amount of Flow Way Community Development District Special Assessment Bonds to finance certain public improvements and facilities within the District; and

WHEREAS, the District has adopted an improvement plan for the planning, design, acquisition, construction, and installation of certain public infrastructure improvements, facilities and services within and without the Land (the “**CIP**”), which plan is detailed in that certain Flow Way Community Development District Master Engineer’s Report prepared by Waldrop Engineering, Inc. and dated August, 2013, (the “**Master Engineer’s Report**”), which Engineer’s Report is incorporated herein by reference. The CIP is being implemented in phases, with the portion of the CIP to be constructed as the 7th and 8th phases being referred to herein collectively as the “**Phase 7 and 8 Projects**”. The Phase 7 Project is detailed in the Master Engineer’s Report as supplemented by that certain Flow Way Community Development District Phase 6 & 7 Engineer’s Report for the 2017 Project prepared by Waldrop Engineering, Inc. and dated October 2017 (the “**Phase 7 Supplemental Engineer’s Report**”). **The Phase 8 Project is detailed in**

the Master Engineer's Report as supplemented by that certain Flow Way Community Development District Phase 8 Engineer's Report for the 2018 Project prepared by Waldrop Engineering, Inc. and dated {June 2019 } (the "**Phase 8 Supplemental Engineer's Report**"). The Phase 7 Supplemental Engineer's Report and the Phase 8 Supplemental Engineer's Report are incorporated herein by reference. The Master Engineer's Report together with the Phase 7 Supplemental Engineer's Report and the Phase 8 Supplemental Engineer's Report are sometimes referred to herein collectively as the "**Engineer's Report**."); and

WHEREAS, the District is issuing \$_____,000.00 of Flow Way Special Assessment Bonds, Series 2019 (Phase 7 and 8 Projects) (the "**Series 2019 Bonds (Phase 7 and 8 Projects)**") to finance a portion of the design, construction and/or acquisition of a portion of the public infrastructure improvements comprising within the CIP relating to the Phase 7 and 8 Projects; and

WHEREAS, the District has taken certain steps necessary to impose special assessments upon the Land pursuant to Chapters 170, 190 and 197, Florida Statutes, as security for the Series 2019 Bonds (Phase 7 and 8 Projects); and

WHEREAS, the District's special assessments securing the Series 2019 Bonds (Phase 7 and 8 Projects) (the "**Series 2019 Assessments (Phase 7 and 8 Projects)**") were imposed on the benefitted Land as more specifically described in Resolution No. 2018-1 adopted October 25, 2017, Resolution No. 2018-2 adopted October 25, 2017, Resolution No. 2018-4 adopted November 29, 2017, Resolution No. 2019-____ adopted June 20, 2019, Resolution No. 2019-____ adopted June 20, 2019, and Resolution No. 2019-____ adopted July 25, 2019; together with any supplemental proceedings undertaken by the District with respect to the Series 2019 Assessments (Phase 7 and 8 Projects) (collectively, the "**Assessment Resolutions**"). The Assessment Resolutions are incorporated herein by reference; and

WHEREAS, as of the date of this Agreement, the Developer is the owner of the Land, which benefits or will benefit from the CIP, including the Phase 7 and 8 Projects to be financed, in part, by the Series 2019 Bonds (Phase 7 and 8 Projects); and

WHEREAS, the Developer agrees that the Land benefits from the design, construction or acquisition of the CIP, including the Phase 7 and 8 Projects; and

WHEREAS, the Developer agrees that the Series 2019 Assessments (Phase 7 and 8 Projects) which were imposed on the Land have been validly imposed and constitute valid, legal and binding liens upon the Land; and

WHEREAS, the Developer waives any rights it may have under Section 170.09, Florida Statutes, to prepay the Series 2019 Assessments (Phase 7 and 8 Projects) without interest within thirty (30) days after completion of the Phase 7 and 8 Projects; and

WHEREAS, the Developer waives any defect in notice or publication or in the proceedings to levy, impose and collect the Series 2019 Assessments (Phase 7 and 8 Projects) on the Land; and

WHEREAS, the Developer may convey property within the Land based on then-existing market conditions, and the actual densities developed may be more or less than the densities assumed in the Assessment Report (hereinafter defined); and

WHEREAS, that certain Special Assessment Report for Flow Way Community Development District, Series 2019 - Phase 6 Capital Improvement Program prepared by JPWard & Associates, LLC and dated October 25, 2017 and that certain Special Assessment Report for Flow Way Community Development District for Series 2019 Phase 7 (Esplanade) and Phase 8 Bonds prepared by JPWard &

Associates, LLC and dated May 29, 2019, all as supplemented by the Flow Way Community Development District Supplemental Special Assessment Report for Series 2019 Phase 7 and 8 Bonds prepared By JP Ward & Associates, LLC and dated _____, 2019 (collectively, the “**Assessment Report**”) provides the manner in which the Series 2019 Assessments (Phase 7 and 8 Projects) are allocated. Within that process, as the Land is platted (i.e. subdivision plat, site plan, or lands submitted to condominium) and provided individual parcel identification numbers by the Collier County Property Appraiser, the allocation of the amounts assessed to and constituting a lien upon the Land would be calculated based upon certain density assumptions relating to the number of each type of residential unit to be constructed within the Land, which assumptions were provided by the Developer; and

WHEREAS, the Developer intends to plat and develop Phase 7 and Phase 8 of the Land based on then existing market conditions, and the actual densities developed for Phase 6 may be at some density less than the densities assumed in the Assessment Report (a “**Density Reduction**”); and

WHEREAS, in the event of a Density Reduction, the Assessment Report anticipates a mechanism by which the owners of the Land subject to the Series 2019 Assessments (Phase 7 and 8 Projects) shall make certain payments to the District in order that the amount of Series 2019 Assessments (Phase 7 and 8 Projects) on the unplatted portion of the Land will not exceed the amount as described in the Assessment Report (each such payment shall be referred to as a “**True-Up Payment**”); and

WHEREAS, the Developer and the District desire to enter into an agreement to confirm the Developer’s intentions and obligations to make any and all True-Up Payments relating to the Series 2019 Assessments (Phase 7 and 8 Projects) on the Land when due.

NOW, THEREFORE, based upon good and valuable consideration and the mutual covenants of the parties, the receipt of which and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Recitals.** The foregoing recitals are true and correct and incorporated herein by this reference as a material part of this Agreement.

2. **Validity of Assessments.** The Developer agrees that Assessment Resolutions have been legally and duly adopted by the District. The Developer further agrees that the Series 2019 Assessments (Phase 7 and 8 Projects) imposed as a lien on the Land by the District are, or will be, legal, valid and binding first liens running with the Land until paid, co-equal with the taxes and liens of all state, county, district, and municipal taxes, and superior in dignity to all other liens, titles, and claims. The Developer hereby waives and relinquishes any rights it may have to challenge, object to or otherwise fail to pay such Series 2019 Assessments (Phase 7 and 8 Projects).

3. **Payment of Assessments; Developer's Acknowledgment of Lien and Waiver of Prepayment.**

a. The Developer acknowledges its obligations as the owner of the Land subject to the Series 2019 Assessments (Phase 7 and 8 Projects) levied and imposed by the District on the benefitted Land, and the Developer agrees and covenants to timely pay all such Series 2019 Assessments (Phase 7 and 8 Projects) levied and imposed by the District on the benefitted Land, whether the Series 2019 Assessments (Phase 7 and 8 Projects) are collected by the Collier County Tax Collector pursuant to Section 197.3632, Florida Statutes, by the District, or by any other method allowable by law. The Developer agrees that to the extent the Developer fails to timely pay on an annual basis the 2019 Assessments (Phase 7 and 8 Projects) imposed on the Lands invoiced by mailed notice of the District, said unpaid 2019 Assessments (Phase 7 and 8 Projects) (including True-Up Payments) may be placed on the tax roll by the District for collection by the

Tax Collector pursuant to Section 197.3632, Florida Statutes, in any subsequent year or may be foreclosed on as provided for in Florida law.

b. The Developer agrees that the provisions of this Agreement shall constitute a covenant running with the Lands and shall remain in full force and effect and be binding upon the Developer, its legal representatives, estates, successors, grantees, and assigns until released pursuant to the terms herein.

c. The Developer further waives any rights it may have under Section 170.09, Florida Statutes, to prepay the Series 2019 Assessments (Phase 7 and 8 Projects) without interest within thirty (30) days of completion of the Phase 7 and 8 Projects.

4. Special Assessment Reallocation.

A. Assumptions. As of the date of the execution of this Agreement, the Developer has informed the District for purposes of developing the Assessment Report that the Developer plans to construct, or provide for the construction, of the following type and number of units as and where designated within Phase 7 and Phase 8 as more completely specified in the Assessment Report (“**Development Units**”):

<u>Phase 7 Unit Types</u>	<u>Phase 7 Development Units</u>
52’ SF Lot	0
57’ SF Lot	0
62’ SF Lot	0
76’ SF Lot	0
90’ SF Lot	0
100’ SF Lot	0
Multi-family (Esplanade)	36
<u>Multi-family (Vercelli)</u>	<u>0</u>
Total:	36

<u>Phase 8 Unit Types</u>	<u>Phase 8 Development Units</u>
52’ SF Lot	87
57’ SF Lot	0
62’ SF Lot	29
76’ SF Lot	23
90’ SF Lot	0
100’ SF Lot	0
Multi-family (Esplanade)	72
<u>Multi-family (Vercelli)</u>	<u>64</u>
Total:	275

B. Process for Reallocation of Assessments. In connection with the development of Phase 7 and Phase 8, the Developer has and/or will subdivide the applicable land in accordance with the procedures of Collier County and Florida law. For purposes hereof, the subdivision process may include: (i) platting; (ii) subdivision via site plan; and/or (iii) recording of a Declaration of Condominium to designate condominium parcels (any of the foregoing subdivision methods will be generally referred to herein as a “**Plat**”). In connection with a finalized Plat, the Collier County Property Appraiser will assign parcel identification numbers for the individual subdivided portion(s) of the Land. The District shall allocate the Series 2019 Assessments (Phase 7 and 8 Projects) in accordance with the Assessment Report and cause such allocation to be recorded in the District’s Improvement Lien Book. In furtherance of the District tracking the obligations pursuant to this Agreement and otherwise maintaining the District’s

Improvement Lien Book, the Developer covenants and agrees to provide to the District, prior to recordation, a courtesy copy of any and all Plats for all or any portion of the Land. Additionally, the parties agree the following provisions shall apply with respect to the reallocation of the Series 2019 Assessments (Phase 7 and 8 Projects):

(i) The Developer is responsible for developing the minimum number of Development Units as set forth in the Assessment Report. If, at any time and pursuant to Section 7.0 “Overview of the Inventory Adjustment Determination” of the Assessment Report, in the reasonable determination of the District, there is a Density Reduction whereby such Density Reduction will fail to allow the District to collect sufficient assessment installments to meet its debt service obligations with respect to the Series 2019 Bonds (Phase 7 and 8 Projects) in accordance with the Assessment Report, then a payment equal to True-Up Payment shall become due and payable from the Developer after written demand from the District, or the District Manager on behalf of the District, and shall be paid by the Developer within such reasonable time period as specified by the District, or the District Manager on behalf of the District. The True-Up Payment shall be in addition to, and not in lieu of, any other regular assessment installment(s) levied on the Land. The District, or the District Manager on behalf of the District, will provide as much prior written notice to the Developer as is reasonably practicable and will ensure collection of such amounts in a timely manner in order to meet its debt service obligations with respect to the Series 2019 Bonds (Phase 7 and 8 Projects), and in all cases, the Developer agrees that such payments shall be made in order to ensure the District’s timely payment of the debt service obligations on the Series 2019 Bonds (Phase 7 and 8 Projects). The Developer shall pay as part of a True-Up Payment accrued interest on the Series 2019 Bonds (Phase 7 and 8 Projects) to the next quarterly redemption date if such date is at least forty-five (45) days after such True-up Payment, and if such date less than forty-five (45) days, then the Developer shall pay accrued interest until the second succeeding quarterly redemption date. The Developer covenants to comply or, as contemplated by this Agreement, cause others to comply, with the requirements of this Section.

(ii) The foregoing provisions are based on the District’s understanding from information provided by the Developer that the Developer will develop, or cause others to develop, the Development Units on the Land as identified in the Assessment Report and is intended to provide a formula to ensure the appropriate allocation of the Series 2019 Assessments (Phase 7 and 8 Projects) is maintained if less than the anticipated Development Units are developed. However, the District agrees that nothing herein prohibits more or less than the number of Development Units identified in the Assessment Report from being developed on the Land. Further, no third-party shall be entitled to rely on this Agreement as a commitment or undertaking by the Developer that a minimum number of Development Units will be constructed. In no event shall the District collect Series 2019 Assessments (Phase 7 and 8 Projects) pursuant to the Assessment Resolutions in excess of the total debt service related to the Series 2019 Bonds (Phase 7 and 8 Projects), including all costs of financing and interest. Further, upon the Developer’s final Plat for the Land, any unallocated Series 2019 Assessments (Phase 7 and 8 Projects) shall constitute a True-Up Payment and become due and payable and must be paid to the District immediately upon demand by the District.

5. Enforcement. This Agreement is intended to be an additional method of the District’s enforcement of the Series 2019 Assessments (Phase 7 and 8 Projects), including the application of the True-Up Payments, if required, as set forth in the Assessment Resolutions. This Agreement does not alter or affect the liens created by the Assessment Resolutions. A default by either party under this Agreement shall entitle the other party to all remedies available at law or in equity, which shall include, but not be limited to, the right of damages, injunctive relief and specific performance; provided, however, in no event shall either party be entitled to any consequential, punitive, exemplary or special damage awards.

6. **Recovery of Costs and Fees.** In the event either party is required to enforce this Agreement by court proceedings or otherwise, then each prevailing party, as determined by the applicable court or other dispute resolution provider, shall be entitled to recover from the non-prevailing party all fees and costs incurred, including reasonable attorneys' fees and costs incurred prior to or during any litigation or other dispute resolution and including all fees and costs incurred in appellate proceedings.

7. **Notice.** All notices, requests, consents and other communications hereunder ("**Notices**") shall be in writing and shall be hand delivered, sent by regular U.S. Mail, or delivered via overnight delivery service to the parties, as follows:

- A. **If to District:** Flow Way
Community Development District
c/o JPWard & Associates, LLC
2900 Northeast 12th Terrace, Suite 1
Oakland Park, FL 33334
Attn: District Manager
- With a copy to:** Coleman, Yovanovich & Koester, P.A.
4001 Tamiami Trail N., Suite 300
Naples, Florida 34103
Attn: Gregory L. Urbancic, Esq.
- B. **If to Developer:** Taylor Morrison Esplanade Naples, LLC
551 N Cattlemen Rd Suite 200
Sarasota, FL 34232
Attn: Manager
- With a copy to:** Kristy Boss, Esq.
Deputy General Counsel
Taylor Morrison
1211 N. Westshore Blvd. Ste. 512.
Tampa, Florida 33607

Except as otherwise provided herein, any Notice shall be deemed received only upon actual delivery at the address or facsimile number set forth herein. Notices hand delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the parties may deliver Notice on behalf of the parties. Any party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name, address or facsimile number to which Notices shall be sent by providing the same on five (5) days written notice to the parties and addressees set forth herein. Notwithstanding the foregoing, to the extent Florida law requires notice to enforce the collection of assessments placed on property by the District, then the provision of such notice shall be in lieu of any additional notice required by this Agreement.

8. **Assignment.**

A. The Developer may not assign its duties or obligations under this Agreement except in accordance with the terms of paragraph (C) below. This Agreement shall constitute a covenant running with title to the Land, binding upon the Developer and its successors and assigns, and any transferee

of any portion of the Land as set forth in paragraph (C) below, but shall not be binding upon transferees permitted by Sections 8(B)(i)-(iv) below.

B. The Developer shall not transfer any portion of the Land to any third party without complying with the terms of paragraph (C) below, other than:

(i) Platted and fully-developed lots to non-affiliated homebuilders restricted from re-platting.

(ii) Platted and fully-developed lots or completed homes to end users.

(iii) Portions of the Land exempt from assessments to the County, the District, or other governmental agencies.

(iv) Portions of Land designated as common areas to a homeowners' or property owners' association.

Any transfer of any portion of the Land pursuant to subsections (i)-(iv) of this Section 8(B) shall constitute an automatic release of such portion of the Land from the scope and effect of this Agreement.

C. The Developer shall not transfer any portion of the Land to any third party, except as permitted by Sections 8(B)(i)-(iv) above, without satisfying any True-Up Payment that is due as a result of a True-Up analysis that will be performed by the District Manager prior and as a condition to such transfer (the "**Transfer Condition**"). Any transfer that is consummated pursuant to this paragraph (C) shall operate as a release of the Developer from its obligations under this Agreement as to such portion of the Land only arising from and after the date of such transfer and satisfaction of the Transfer Condition, and the transferee, as the successor in title, shall assume the Developer's obligations hereunder to said portion of the Land and be deemed the "Developer" from and after such transfer for all purposes as to such portion of the Land so transferred.

9. Amendment. This Agreement shall constitute the entire agreement between the parties. Amendments to this Agreement may be made only by an instrument in writing which is executed by both the District and the Developer. No amendment to this Agreement shall be made without the prior written consent of the Trustee acting at the direction of the holders of the Series 2019 Bonds (Phase 7 and 8 Projects) owning a majority of the aggregate principal amount of all Series 2019 Bonds (Phase 7 and 8 Projects) outstanding.

10. Termination. This Agreement shall continue in effect until it is rescinded in writing by the mutual assent of each party and the Trustee for the Series 2019 Bonds (Phase 7 and 8 Projects) acting at the written direction of the holders of the Series 2019 Bonds (Phase 7 and 8 Projects) owning a majority of the aggregate principal amount of all Series 2019 Bonds (Phase 7 and 8 Projects) outstanding. This Agreement shall automatically terminate upon payment in full of the Series 2019 Bonds (Phase 7 and 8 Projects), or upon final allocation of all Series 2019 Assessments (Phase 7 and 8 Projects) to all Land subject to the Series 2019 Assessments (Phase 7 and 8 Projects), and all True-Up Payments with respect to the Land, if required, have been paid as determined by the District Manager.

11. Negotiation at Arm's Length. This Agreement has been negotiated fully between the parties as an arm's length transaction. Both parties participated fully in the preparation of this Agreement and received the advice of counsel. In the case of a dispute concerning the interpretation of any provision

of this Agreement, all parties are deemed to have drafted, chosen and selected the language, and the doubtful language will not be interpreted or construed against either party.

12. Third-Party Beneficiaries. This Agreement is solely for the benefit of the formal parties herein and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third-party not a formal party hereto. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the parties hereto any right, remedy or claim under or by reason of this Agreement or any provisions or conditions hereof; and all of the provisions, representations, covenants and conditions herein contained shall inure to the sole benefit of and shall be binding upon the parties hereto and their respective representatives, successors and assigns. Notwithstanding anything herein to the contrary, the parties hereto agree that the Trustee for the Series 2019 Bonds (Phase 7 and 8 Projects), on behalf of the holders of the Series 2019 Bonds (Phase 7 and 8 Projects), shall be a direct third-party beneficiary of the terms and conditions of this Agreement and the Developer acknowledges that the Trustee on behalf of the holders of the Series 2019 Bonds (Phase 7 and 8 Projects) shall be entitled to enforce the provisions of this Agreement according to the provisions set forth in the applicable trust indenture. Said Trustee, however, shall not be deemed to have assumed any obligation as a result of this Agreement.

13. Limitations on Governmental Liability. Nothing in this Agreement shall be deemed as a waiver of immunity or limits of liability of the District beyond any statutory limited waiver of immunity or limits of liability which may have been adopted by the Florida Legislature in Section 768.28, Florida Statutes or other statute, and nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law.

14. Applicable Law. This Agreement shall be governed by the laws of the State of Florida.

15. Execution in Counterparts. This instrument may be executed in any number of counterparts, each of which, when executed and delivered, shall constitute an original, and such counterparts together shall constitute one and the same instrument. Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

16. Effective Date. This Agreement shall become effective upon execution by the parties hereto on the date reflected above.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

DISTRICT:

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

ATTEST:

James P. Ward, Secretary

By: _____
Andrew Miller, Chairman

STATE OF FLORIDA)
) ss.
COUNTY OF COLLIER)

The foregoing instrument was acknowledged before me, this ____ day of _____, 2019, by Andrew Miller, as Chairman of Flow Way Community Development District on behalf of the community development district, a community development district established and existing pursuant to Chapter 190, Florida Statutes, on behalf of the District, who () is personally known to me or () has produced _____ as evidence of identification.

(SEAL)

NOTARY PUBLIC
Name: _____
(Type or Print)
My Commission Expires:

(Signatures continue on following page)

DEVELOPER:

TAYLOR MORRISON ESPLANADE NAPLES, LLC, a Florida limited liability company

By: **TAYLOR MORRISON OF FLORIDA, INC.**, a Florida corporation, its Manager and Majority Member

By: _____
Andrew (“Drew”) Miller Authorized Agent – Land Development

STATE OF FLORIDA)
) ss.
COUNTY OF COLLIER)

The foregoing instrument was acknowledged before me, this ____ day of _____, 2019, by Andrew (“Drew”) Miller Authorized Agent – Land Development of Taylor Morrison of Florida, Inc., a Florida corporation, manager and majority member of Taylor Morrison Esplanade Naples, LLC, a Florida limited liability company, on behalf of the companies, who is () personally known to me or () has produced _____ as evidence of identification.

(SEAL)

NOTARY PUBLIC
Name: _____
(Type or Print)
My Commission Expires:

Exhibit A: Legal Description of the Land

EXHIBIT F

FORM OF ACQUISITION AGREEMENT

**AGREEMENT REGARDING THE
ACQUISITION OF CERTAIN WORK PRODUCT,
INFRASTRUCTURE AND REAL PROPERTY**

THIS AGREEMENT REGARDING THE ACQUISITION OF CERTAIN WORK PRODUCT, INFRASTRUCTURE AND REAL PROPERTY (this “**Agreement**”) is made and entered into as of this _____ day of June, 2019, by and between **FLOW WAY COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special-purpose government established pursuant to Chapter 190, Florida Statutes, whose address is c/o JPWard & Associates, LLC, 2900 Northeast 12th Terrace, Suite 1, Oakland Park, Florida 33334 (the “**District**”), and **TAYLOR MORRISON ESPLANADE NAPLES, LLC**, a Florida limited liability company and landowner in the District, whose address is 551 N. Cattlemen Rd., Suite 200, Sarasota, FL 34232 (the “**Developer**”).

RECITALS

WHEREAS, the District was established by ordinance of the Board of County Commissioners of Collier County, Florida for the purpose of planning, financing, constructing, acquiring, operating and/or maintaining certain infrastructure, including, but not limited to, roadways, water and sewer utilities, stormwater management, entranceway improvements, landscaping, and other infrastructure authorized by Chapter 190, Florida Statutes; and

WHEREAS, the Developer is the owner of certain lands in Collier County, Florida, located within the boundaries of the District; and

WHEREAS, the District has adopted and approved a program of public infrastructure improvements (the “**CIP**”) as described in that certain Flow Way Community Development District Master Engineer’s Report prepared by Waldrop Engineering, Inc. and dated August, 2013 (the “**Master Engineer’s Report**”), which Engineer’s Report is incorporated herein by reference. The CIP is being implemented in phases, with the portion of the CIP to be constructed as the seventh (7th) phase being referred to herein as the “**Phase 7 Project**” and the portion of the CIP to be constructed as the eighth (8th) phase being referred to herein as the “**Phase 8 Project**”. The Phase 7 Project is detailed in the Master Engineer’s Report as supplemented by that certain Flow Way Community Development District Phase 6 & 7 Engineer’s Report for the 2017 Project prepared by Waldrop Engineering, Inc. and dated October 2017 (the “**Phase 7 Supplemental Engineer’s Report**”). The Phase 8 Project is detailed in the Master Engineer’s Report as supplemented by that certain Flow Way Community Development District Phase 8 Engineer’s Report for the 2018 Project prepared by Waldrop Engineering, Inc. and dated {June 2019 } (the “**Phase 8 Supplemental Engineer’s Report**”). (The Phase 7 Project together with the Phase 8 Project are sometimes collectively referred to as the “**Series 2019 Project**”.) The Phase 7 Supplemental Engineer’s Report and the Phase 8 Supplemental Engineer’s Report are incorporated herein by reference. The Master Engineer’s Report together with the Phase 7 Supplemental Engineer’s Report and the Phase 8 Supplemental Engineer’s Report are sometimes referred to herein collectively as the “**Engineer’s Report**.”); and

WHEREAS, the District presently intends to finance, in part, the planning, design, acquisition, construction, and installation of the Series 2019 Project (the “**District Improvements**”) through the sale of special assessment bonds to be known as the Flow Way Community Development District Special Assessment Bonds, Series 2019 (Phase 7 and 8 Projects) (the “**Series 2019 Bonds**”); and

WHEREAS, the District desires to either (i) acquire certain portions of the District Improvements within the Series 2019 Project from the Developer on the terms and conditions set forth herein; or (ii)

design, construct and install certain portions of the District Improvements within the Series 2019 Project on its own account; and

WHEREAS, the District has not had sufficient monies on hand to allow the District to contract directly for the preparation of the necessary surveys, reports, drawings, plans, permits, specifications, and related documents which would allow the timely commencement and completion of construction of the District Improvements (the “**Work Product**”); and

WHEREAS, the District acknowledges the Developer’s need to commence development of the lands within the District in an expeditious and timely manner; and

WHEREAS, the District agrees that it will not have sufficient monies to proceed with either the preparation of the Work Product or the commencement of construction of the District Improvements described in the Engineer’s Report until such time as the District has closed on the sale of the Series 2019 Bonds; and

WHEREAS, in order to avoid a delay in the commencement of the construction of the District Improvements, which delay would also delay the Developer from implementing its planned development program, the Developer has advanced, funded, commenced, and completed and/or will complete or assign certain work to enable the District to expeditiously provide the District Improvements; and

WHEREAS, the Developer is under contract to create or has created the Work Product for the District and wishes to convey to the District any and all of Developer’s right, title and interest in the Work Product and provide for the parties who actually created the Work Product to allow the District to use and rely on the Work Product, as it is completed; and

WHEREAS, the Developer acknowledges that upon its conveyance, the District will have the right to use and rely upon the Work Product for any and all purposes and further desires to release to the District all of its right, title, and interest in and to the Work Product (except as otherwise provided for in this Agreement); and

WHEREAS, the District desires to acquire ownership of the completed Work Product, as well as the unrestricted right to use and rely upon the Work Product for any and all purposes; and

WHEREAS, further, in order to allow the District to avoid delay as a result of the lengthy process incident to the sale and closing of the District’s Bonds, the Developer has commenced construction of some portion of the District Improvements; and

WHEREAS, the Developer agrees to convey to the District all right, title and interest in the portion of the District Improvements completed as of each Acquisition Date (as hereinafter defined) with payment from the proceeds of the Series 2019 Bonds (or as otherwise provided for herein) when and if available; and

WHEREAS, some of the Improvements to be acquired by the District may include the acquisition of the Developer’s fee simple interest in certain real property within and outside of the District as described in the Engineer’s Report (the “**Real Property**”); and

WHEREAS, except as to the specific acquisitions of Real Property described in the Engineer’s Report, in conjunction with the acquisition of the other District Improvements, the Developer will convey to the District interests in certain real property sufficient to allow the District to own, operate, maintain, construct, or install the District Improvements, if any such conveyances are appropriate, and such

conveyances shall be in such a form (fee simple, perpetual easement, or other appropriate interest), as reasonably determined by the District; and

WHEREAS, the Developer acknowledges that upon its conveyance, the District will have the right to use any real property interests conveyed (including, without limitation, the Real Property) for any and all lawful public purposes (except as provided for in this Agreement); and

WHEREAS, the District and the Developer are entering into this Agreement to ensure the timely provision of the Series 2019 Project and the development.

NOW, THEREFORE, based upon good and valuable consideration and the mutual covenants of the parties, the receipt of which and sufficiency of which are hereby acknowledged, the District and the Developer agree as follows:

1. **Recitals.** The foregoing recitals are true and correct and incorporated herein by this reference as a material part of this Agreement.

2. **Work Product.** The District agrees to pay the reasonable cost incurred by the Developer in preparation of the Work Product, subject to and in accordance with the provisions of this Agreement. The Developer shall provide copies of any and all invoices, bills, receipts, or other evidence of costs incurred by the Developer for the Work Product. The parties agree to cooperate and use good faith and best efforts to undertake and complete the acquisition process contemplated by this Agreement on such date or dates as the parties may jointly agree upon (each, an "**Acquisition Date**"). The parties agree that separate or multiple Acquisition Dates may be established for any portion of the acquisitions contemplated by this Agreement. The District Engineer shall review all evidence of cost and shall certify to the Board of Supervisors of the District (the "**District's Board**") the total amount of cost, which in the District Engineer's sole opinion, is reasonable for the Work Product but in no event in excess of the lower of its actual cost or its reasonable fair market value. In the absence of evidence to the contrary, the actual cost of any or all of the Work Product shall be deemed to be its reasonable fair market value. The District Engineer's opinion as to cost shall be set forth in an Engineer's Certificate that shall, at the applicable time set forth herein, accompany or be part of the requisition for any Bond funds from the District's Trustee for the Series 2019 Bonds. In the event that the Developer disputes the District Engineer's opinion as to cost, the District and the Developer agree to use good faith efforts to resolve such dispute. If the parties are unable to resolve any such dispute, the parties agree to jointly select a third party engineer whose decision as to any such dispute shall be binding upon the parties. Such a decision by a third party engineer shall be set forth in an Engineer's Affidavit that shall accompany the requisition for the funds from the District's Trustee for the Series 2019 Bonds. The parties acknowledge that the Work Product is being acquired for use by the District in connection with the construction of the District Improvements.

A. Subject to the provisions of Section 6, the Developer agrees to convey to the District the Work Product upon payment of the sums determined to be reasonable by the District Engineer (but in no event in excess of the lower of its actual cost or its reasonable fair market value) and approved by the District's Board pursuant to and as set forth in this Agreement. The parties agree to execute such documentation as may be reasonably required to convey the same.

B. The Developer agrees to release to the District all right, title, and interest which the Developer may have in and to the above described Work Product, as well as all common law, statutory, and other reserved rights, including all copyrights in the Work Product and extensions and renewals thereof under United States law and throughout the world, and all publication rights and all subsidiary rights and other rights in and to the Work Product in all forms, mediums, and media, now known or hereinafter devised. To the extent determined necessary by the District, the Developer shall, to the extent reasonably

possible, obtain all required releases from any professional providing services in connection with the Work Product to enable the District to use and rely upon the Work Product. Such releases may include, but are not limited to, any architectural, engineering, or other professional services. Such releases shall be provided in a timely manner in the sole discretion of the District.

C. The Developer acknowledges the District's right to use and rely upon the Work Product for any and all purposes.

D. The Developer agrees to provide or cause to be provided to the District, to the extent reasonably possible, either by assignment or directly from such third parties as may be necessary and desirable to the mutual satisfaction of the parties hereto, a warranty that the Work Product is fit for the purposes to which it will be put by the District, as contemplated by the Engineer's Report. Nothing herein shall be construed or interpreted to create a warranty by the Developer of any Work Product produced by an independent third party.

E. The District agrees to allow the Developer access to and use of the Work Product without the payment of any fee by the Developer. However, to the extent the Developer's access to and use of the Work Product causes the District to incur any cost or expense, such as copying costs, the Developer agrees to pay such cost or expense.

3. Acquisition of District Improvements. The Developer has constructed, is constructing, or is under contract to construct and complete certain District Improvements. The District agrees to acquire the District Improvements, including but not limited to those portions of the District Improvements that have been commenced or completed prior to the issuance of the Series 2019 Bonds. When a portion of the District Improvements is ready for conveyance by the Developer to the District, the Developer shall notify the District in writing, describing the nature of the improvement, its general location, and its estimated cost. Developer agrees to provide, at or prior to the Acquisition Date, the following: (i) documentation of actual costs paid; (ii) instruments of conveyance such as warranty bills of sale or such other instruments as may be requested by the District; (iii) evidence of title acceptable to the District, describing the nature of Developer's rights or interest in the District Improvements being conveyed, and stating that the District Improvements are free and clear of all liens and mortgages, and free of all liens, mortgages, and all other encumbrances that render title unmarketable; (iv) evidence that all governmental permits and approvals necessary to install the applicable District Improvements have been obtained and that the applicable District Improvements have been built in compliance with such permits and approvals; and (v) any other releases, indemnifications or documentation as may be reasonably requested by the District. The District Engineer in consultation with the District's Counsel shall determine in writing whether or not the infrastructure to be conveyed is a part of the District Improvements contemplated by the Engineer's Report, and if so, shall provide Developer with a list of items necessary to complete the acquisition. Each such acquisition shall also be subject to the engineering review and certification process in the same manner described in Section 2 above. The District Manager shall determine, in writing, whether the District has, based on the Developer's estimate of cost, sufficient unencumbered funds to acquire the District Improvements intended to be transferred, subject to the provisions of Section 6.

A. All documentation of any acquisition (e.g., bills of sale, receipts, maintenance bonds, as-builts, evidence of costs, deeds or easements, etc.) shall be to the reasonable satisfaction of the District. If any item acquired is to be conveyed to a third-party governmental body, then the Developer agrees to cooperate and provide such certifications or documents as may be required by that governmental body, if any.

B. Subject to the provisions of Section 6, the District Engineer shall certify as to the cost of any improvement built or constructed by or at the direction of the Developer, and the District shall

pay no more than the actual cost incurred, or the reasonable fair market cost of the improvement, whichever is less, as determined by the District Engineer.

C. At the time of conveyance by the Developer of the Developer's rights or interest in the District Improvements, the District Improvements being conveyed shall be completed and in good condition, free from defects, as determined in writing by the District Engineer; and Developer shall warrant to the District and any government entity to which the District Improvements may be conveyed by the District, guaranteeing the District Improvements against defects in materials, equipment or construction for a period of one (1) year from the date of conveyance.

D. The Developer agrees to cooperate fully in the transfer of any permits to the District or a governmental entity with maintenance obligations for any District Improvements conveyed pursuant to this Agreement.

E. In connection with the acquisition of District Improvements, the Developer will convey to the District interests in real property sufficient to allow the District to own, operate, maintain, construct, or install the District Improvements, if any such conveyances are appropriate, and such conveyances shall be in such a form (fee simple, perpetual easement, or other appropriate interest), as reasonably determined by the District. This subsection will not apply to the acquisition of specific portions of Real Property described in the Engineer's Report. Section 4 below will apply with respect to said Real Property. However, any other real property interests necessary for the functioning of the District Improvements to be acquired under this Section and to maintain the tax-exempt status of the Series 2019 Bonds (it being acknowledged that all District Improvements must be located on governmentally owned property, in public easements or rights-of-way) shall be reviewed and conveyed in accordance with the provisions herein. The District agrees to accept the dedication or conveyance of some or all of the real property over which the District Improvements have been or will be constructed or which otherwise facilitates the operation and maintenance of the District Improvements. Such dedication or conveyance shall be at no cost to the District. The Developer agrees to provide to the District the following: (i) appropriate special warranty deeds or other instruments of conveyance acceptable to the District; (ii) evidence of title reasonably acceptable to the District, describing the nature of Developer's rights or interest in the District Improvements being conveyed, and stating that the District Improvements are free and clear of all liens, mortgages, and all other encumbrances; and (iii) legal descriptions, whether by metes and bounds or other reference to plats or recorded data to the satisfaction of the District. The Developer and the District agree that reasonable future adjustments to the legal descriptions may be made in order to accurately describe lands conveyed to the District and lands which remain in the Developer's ownership. The parties agree to cooperate and act in good faith in relation to any such adjustment(s) to legal descriptions. The parties agree that any land transfers made to accommodate such adjustments shall be accomplished by donation; provided, however, no land transfer shall be accomplished if the same would impact the use of the District Improvements or the tax-exempt status of the Series 2019 Bonds. However, the party requesting such adjustment shall pay any transaction costs resulting from the adjustment, including but not limited to taxes, title insurance, recording fees or other costs. The District may, in its discretion, require title insurance on any real property conveyed pursuant to this Agreement, which cost shall be borne by the Developer. The Developer agrees that it has, or shall at the time of conveyance provide, good, marketable and insurable title to the real property to be acquired which shall be free from all liens and encumbrances that render title unmarketable. The Developer indemnifies and hold the District harmless from any and all claims, demands, liabilities, judgments, costs, or other actions which may be brought against or imposed upon the District as a result of the Developer's failure, whether intentional, negligent or otherwise, to comply with the terms of the Developer's obligations to convey as set forth in this Section.

4. Acquisition of Real Property. With respect to any acquisition of the Developer's fee simple interest in Real Property as described in the Engineer's Report, the Developer shall convey such

Real Property to the District by special warranty deed. Prior to conveyance, the Developer shall provide the District with evidence of title acceptable to the District as to its fee simple ownership of the Real Property and showing that the District Improvements are free and clear of all liens, mortgages, and all other encumbrances that render title unmarketable. The amount the District shall pay the Developer for the acquisition of Real Property shall be an amount which is lower than the Developer's actual cost of the Real Property or its reasonable fair market value as determined by an appraisal which shall be obtained by the District and performed by an appraiser selected by the District.

5. Assignment of Construction Contracts. Subject to any limitation under Florida law and the conditions set forth herein, the District agrees to accept an assignment of construction contracts for District Improvements in an expeditious manner should Developer request that the District assign any construction contracts for District Improvements. Acceptance of such assignment shall be predicated upon (i) the District having sufficient funds from the Series 2019 Bonds available at the time of the request, in the sole determination of the District, to properly and lawfully complete the requested District Improvements; (ii) each contractor providing a bond or other security in the form and manner required by Section 255.05, Florida Statutes; (iii) receipt by the District of a Developer's affidavit, in a form acceptable to the District's Counsel, relating to certain obligations to be fulfilled by Developer prior to the District accepting the assignment; (iv) a release from each general contractor acknowledging each assignment and the validity thereof, acknowledging the furnishing and recording of the bond or other security required by Section 255.05, Florida Statutes, and waiving any and all claims against the District arising as a result of or connected with such assignment; and (v) the Developer providing such other documentation as may be requested by the District in connection with the Developer's request. The Developer hereby indemnifies and holds the District harmless from any claims, demands, liabilities, judgments, costs, or other actions which may be brought against or imposed upon the District in connection with or as a result of this assignment by any contractors, subcontractors, sub-subcontractors, materialmen, and others providing labor or services in conjunction with each Construction Contract and including claims by members of the public as such claims relate to the period of time prior to the District's acceptance of the assignment, except for limitations otherwise provided for in this Agreement, and further except for any such matters arising out of, or in connection with, an act or failure to act by the District, including but not limited to the District's obligations to pay the Developer any and all monies owed or to become owed by the District to the Developer.

6. Payment by District. Payment for the Work Product and the District Improvements (including the Real Property) described herein and contemplated by this Agreement shall be payable solely from the proceeds of the Series 2019 Bonds available for that purpose at the times and in the manner provided in the Trust Indenture relating thereto. To the extent any District Improvements are acquired by the District in advance of proceeds of Bonds described above being available to pay all or a portion of the costs certified by the District Engineer for such District Improvements ("**Advanced Improvements**"), then the following conditions shall apply as to such Advanced Improvements: (i) no amounts shall be due from the District to the Developer at the time of the transfer of the Advanced Improvements to the District; (ii) the District and the Developer agree to take such action as is reasonably necessary to memorialize the costs certified by the District Engineer for any such Advanced Improvements, which may include execution of a promissory note in a form acceptable to the District; (iii) within forty-five (45) days after receipt of sufficient funds by the District consistent with this Section for the Advanced Improvements from the issuance of the Series 2019 Bonds, the District shall pay the cost certified by the District Engineer to the Developer; provided, however, in the event the District's bond counsel determines that any costs for the Advanced Improvements are not qualified costs for any reason including, but not limited to federal tax restrictions imposed on tax-exempt financing, the District shall not be obligated to pay for such portion of the Advanced Improvements; and (iv) the Developer acknowledges that there may not be sufficient funds available from the issuance of the Series 2019 Bonds for the reimbursement of all or a portion of the costs of such Advanced Improvements, and, notwithstanding anything in this Agreement to the contrary, the

District's payment obligations will be limited consistent with this Section to the extent of available proceeds from Bonds actually issued. Nothing herein shall cause or be construed to require or otherwise commit the District to issue additional bonds or indebtedness to provide funds for any portion of the Advanced Improvements or to issue the Series 2019 Bonds or other indebtedness of any particular amount. If within three (3) years after the Effective Date of this Agreement, the District does not or cannot issue the Series 2019 Bonds for any reason to pay for any Advanced Improvements, and, thus does not pay the Developer the acquisition price for such Advanced Improvements, then the parties agree that the District shall have no payment obligation whatsoever for the Advanced Improvements.

7. **Limitation on Acquisitions/Completion Agreement.** The Developer and the District agree and acknowledge that any and all acquisitions, whether for District Improvements, Work Product or Real Property, shall be limited to those items which may legally be acquired by the District in conformance with all applicable state and federal laws and regulations, as determined by the District in its sole and exclusive discretion, and that nothing herein shall be deemed or construed to require the acquisition of any item in contravention of these authorities. Further, to the extent the Developer and the District enter into this Agreement prior to the closing on the sale of the Series 2019 Bonds, it is acknowledged by the parties that the Series 2019 Bonds will provide only a portion of the funds necessary to complete the District Improvements described in the Engineer's Report. As such, in connection with the sale and issuance of the Series 2019 Bonds, the parties agree to enter into a completion agreement (the "**Completion Agreement**") whereby the Developer agrees to complete, cause to be completed, provide funds or cause funds to be provided to the District in an amount sufficient to allow the District to complete or cause to be completed, those portions of the District Improvements described in the Engineer's Report which remain unfunded by the Series 2019 Bonds, subject, however, to any limitations of the Developer's liability set forth more specifically in Completion Agreement.

8. **Taxes, Assessments, and Costs.**

A. **Taxes, assessments and costs resulting from Agreement.** The Developer agrees to indemnify the District from and make payment for any and all taxes (ad valorem, personal property, intangibles, or otherwise), non-ad valorem assessments, and costs which may be imposed upon the District, or which the District is legally obligated to pay, as a result of the parties entering into this Agreement, if any, whether such taxes, assessments, or costs are imposed upon the District's property or property interest, or the Developer's property or property interest, or any other such expense. As to any parcel of Real Property conveyed by Developer pursuant to this Agreement, the potential obligations of the Developer to pay such taxes, assessments and cost that may be incurred as a result of the parties entering into this Agreement shall terminate one (1) year after conveyance of such parcel of Real Property.

B. **Taxes and assessments on property being acquired.** The District is an exempt governmental unit acquiring property pursuant to this Agreement for use exclusively for public purposes. Accordingly, in accordance with Florida law, the Developer agrees to place in escrow with the Collier County Tax Collector an amount equal to the current ad valorem taxes and non-ad valorem assessments (with the exception of those ad valorem taxes and non-ad valorem assessments levied by the District) prorated to the date of transfer of title, based upon the expected assessment and millage rates giving effect to the greatest discount available for early payment.

1. If and only to the extent the property acquired by the District is subject to ad valorem taxes or non-ad valorem assessments, the Developer agrees to reimburse the District for payment, or pay on its behalf, any and all ad valorem taxes and non-ad valorem assessments imposed during the calendar year in which each parcel of property is conveyed. For example, if the District acquires property in January 2019, the Developer shall escrow the pro rata amount of taxes due for the

tax bill payable in November 2019. If any additional taxes are imposed on the District's property in 2019, then the Developer agrees to reimburse the District for that additional amount.

2. Nothing in this Agreement shall prevent the District from asserting any rights to challenge any taxes or assessments imposed, if any, on any property of the District.

C. **Notice.** The parties agree to provide written notice to the other within ten (10) calendar days of receipt of any notice of potential or actual taxes, assessments, or costs, as a result of any transaction pursuant to this Agreement, or notice of any other taxes assessments or costs imposed on the property acquired by the District as described in subsection B above. The Developer covenants to make any payments due hereunder in a timely manner in accordance with Florida law. In the event that the Developer fails to make timely payment of any such taxes or costs, the Developer acknowledges the District's right to make such payment. If the District makes such payment, the Developer agrees to reimburse the District within thirty (30) calendar days of receiving notice of such payment, and to include in such reimbursement any fees, costs, penalties, or other expenses which accrued to the District as a result of making such a payment, including interest at the maximum rate allowed by law from the date of the payment made by the District.

D. **Tax liability not created.** Nothing herein is intended to create or shall create any new or additional tax liability on behalf of the Developer or the District. Furthermore, the parties reserve all respective rights to challenge, pay under protest, contest or litigate the imposition of any tax, assessment, or cost in good faith they believe is unlawfully or inequitably imposed and agree to cooperate in good faith in the challenge of any such imposition.

9. **Default.** A default by either party under this Agreement shall entitle the other to all remedies available at law or in equity, which may include, but not be limited to, the right of damages and/or specific performance; provided, however, in no event shall either party be entitled to any consequential, punitive, exemplary or special damage awards.

10. **Indemnification.** For all actions or activities which occur prior to the date of the acquisition or assignment of the relevant Real Property, District Improvement or Work Product hereunder, the Developer agrees to indemnify and hold harmless the District and its officers, staff, agents and employees from any and all liability, claims, actions, suits or demands by any person, corporation or other entity for injuries, death, property damage or claims of any nature arising out of, or in connection with, this Agreement or the use by the Developer, its officers, agents, employees, invitees or affiliates, of the Real Property, District Improvement, or Work Product, including litigation or any appellate proceedings with respect thereto, irrespective of the date of the initiation or notice of the claim, suit, etc.; provided, however, that the Developer shall not indemnify the District for a default by the District under this Agreement.

11. **Enforcement of Agreement.** In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the parties agree that the prevailing party shall be entitled to recover from the other all fees and costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

12. **Agreement.** This instrument shall constitute the final and complete expression of this Agreement between the District and the Developer relating to the subject matter of this Agreement.

13. **Amendments.** Amendments to this Agreement may be made only by an instrument in writing which is executed by all parties hereto. No amendment to this Agreement shall be made without the prior written consent of the Trustee for the Series 2019 Bonds at the written direction of the holders of

the Series 2019 Bonds owning a majority of the aggregate principal amount of all Series 2019 Bonds outstanding.

14. Authorization. The execution of this Agreement has been duly authorized by the appropriate body or official of the District and the Developer. The District and the Developer have complied with all the requirements of law. The District and the Developer have full power and authority to comply with the terms and provisions of this instrument.

15. Notices. All notices, requests, consents and other communications under this Agreement ("**Notices**") shall be in writing and shall be hand delivered, sent by regular U.S. Mail, or delivered via overnight delivery service to the parties, as follows:

A. **If to District:** Flow Way Community Development District
c/o JPWard & Associates, LLC
2900 Northeast 12th Terrace, Suite 1
Oakland Park, FL 33334
Attn: District Manager

With a copy to: Coleman, Yovanovich & Koester, P.A.
4001 Tamiami Trail N., Suite 300
Naples, Florida 34103
Attn: Gregory L. Urbancic, Esq.

B. **If to Developer:** Taylor Morrison Esplanade Naples, LLC
551 N Cattlemen Rd Suite 200
Sarasota, FL 34232
Attn: Manager

With a copy to: Kristy Boss, Esq.
Deputy General Counsel
Taylor Morrison
1211 N. Westshore Blvd., Ste. 512.
Tampa, Florida 33607

Except as otherwise provided in this Agreement, any Notice shall be deemed received only upon actual delivery at the address set forth above. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the District and counsel for the Developer may deliver Notice on behalf of the District and the Developer. Any party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) days written notice to the parties and addressees set forth in this Agreement.

16. Arm's Length Transaction. This Agreement has been negotiated fully between the District and the Developer as an arm's length transaction. All parties participated fully in the preparation of this Agreement and received the advice of counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, all parties are deemed to have drafted, chosen, and selected the language, and the doubtful language will not be interpreted or construed against any party hereto.

17. **Third-Party Beneficiaries.** This Agreement is solely for the benefit of the District and the Developer and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or entity other than the District and the Developer any right, remedy, or claim under or by reason of this Agreement or any of the provisions or conditions of this Agreement; and all of the provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the District and the Developer and their respective representatives, successors, and assigns. Notwithstanding the foregoing, the Trustee for the Series 2019 Bonds, on behalf of the holders of the Series 2019 Bonds, shall be a direct third party beneficiary of the terms and conditions of this Agreement and shall be entitled to enforce the Developer's obligations hereunder. Said Trustee, however, shall not be deemed to have assumed any obligation as a result of this Agreement.

18. **Assignment.** Neither the District nor the Developer may assign this Agreement without the prior written approval of the other party hereto, the Trustee for the Series 2019 Bonds at the written direction of the holders of the Series 2019 Bonds owning a majority of the aggregate principal amount of all Series 2019 Bonds outstanding.

19. **Applicable Law and Venue.** This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Each party consents that the venue for any litigation arising out of or related to this Agreement shall be in Collier County, Florida.

20. **Effective Date.** This Agreement shall be effective upon its execution by the District and the Developer (the "**Effective Date**").

21. **Termination.** This Agreement may be terminated by the District without penalty in the event that the District does not issue its proposed Bonds within three (3) years from the Effective Date of this Agreement.

22. **Public Records.** The Developer understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records and will be treated as such in accordance with Florida law.

23. **Severability.** The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.

24. **Limitations on Governmental Liability.** Nothing in this Agreement shall be deemed as a waiver of immunity or limits of liability of the District beyond any statutory limited waiver of immunity or limits of liability which may have been adopted by the Florida Legislature in Section 768.28, *Florida Statutes*, or other statute, and nothing in this Agreement shall inure to the benefit of any third-party for the purpose of allowing any claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law.

25. **Headings for Convenience Only.** The descriptive headings in this Agreement are for convenience only and shall not control nor affect the meaning or construction of any of the provisions of this Agreement.

26. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original; however, all such counterparts together shall

constitute but one and the same instrument. Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

(Remainder of Page Intentionally Left Blank. Signatures Begin on Next Page.)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

DISTRICT:

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

ATTEST:

James P. Ward, Secretary

By: _____
Andrew Miller, Chairman

DEVELOPER:

TAYLOR MORRISON ESPLANADE NAPLES, LLC, a Florida limited liability company

By: **TAYLOR MORRISON OF FLORIDA, INC.**, a Florida corporation, its Manager and Majority Member

By: _____
Andrew (“Drew”) Miller, Authorized Agent – Land Development

Incorporated by Reference:

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 6 & 7 Engineer’s Report for the 2017 Project prepared by Waldrop Engineering, Inc. and dated October 2017, and as further supplemented by that certain **Flow Way Community Development District Phase 8 Engineer’s Report for the 2018 Project prepared by Waldrop Engineering, Inc. and dated June 2019**

EXHIBIT G

FORM OF ASSIGNMENT AGREEMENT

This instrument prepared by and
after recording return to:
Gregory L. Urbancic, Esq.
Coleman, Yovanovich & Koester, P.A.
4001 Tamiami Tr. N., Suite 300
Naples, FL 34103

(space above this line for recording data)

COLLATERAL ASSIGNMENT AND ASSUMPTION OF DEVELOPMENT AND CONTRACT RIGHTS RELATING TO THE PHASE 7 AND 8 PROJECTS

THIS COLLATERAL ASSIGNMENT AND ASSUMPTION OF DEVELOPMENT RIGHTS RELATING TO THE PHASE 7 AND 8 PROJECTS (this “**Assignment**”) is made as of this day of _____, 2019, by **TAYLOR MORRISON ESPLANADE NAPLES, LLC**, a Florida limited liability company (together with certain successors and assigns as specified herein, “**Assignor**”), in favor of **FLOW WAY COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special purpose government organized and created under the laws of the State of Florida, located in Collier County, Florida (together with its successors and assigns, the “**District**” or “**Assignee**”).

RECITALS

WHEREAS, Assignee proposes to issue its Flow Way Community Development District Special Assessment Bonds, Series 2019 (Phase 7 and 8 Projects) (the “**Bonds**”) to finance certain public infrastructure which will provide special benefit to a specified portion of the developable lands owned by Assignor in the District and legally described on Exhibit “A” attached hereto and made a part hereof (the “**District Lands**”) in the residential project commonly referred to as Esplanade Golf and Country Club of Naples, which District Lands are located within the geographical boundaries of the District; and

WHEREAS, within the Phase 7 and 8 Project proposed by Assignor, which includes the District Lands, Assignor has platted (or will plat) 311 residential units (as to each a “**Unit Parcel**”) which are being developed to be sold to unaffiliated builders or end-user residents within the District (such date that all such Unit Parcels are fully developed being defined herein as the “**Development Completion**”) as contemplated by that certain Special Assessment Report for Flow Way Community Development District, Series 2019 - Phase 6 Capital Improvement Program prepared by JPWard & Associates, LLC and dated October 25, 2017 and that certain Special Assessment Report for Flow Way Community Development District for Series 2019 Phase 7 (Esplanade) and Phase 8 Bonds prepared by JPWard & Associates, LLC and dated May 29, 2019, all as supplemented by the Flow Way Community Development District Supplemental Special Assessment Report for Series 2019 Phase 7 and 8 Bonds prepared By JPWard & Associates, LLC and dated _____, 2019, and as further supplemented and/or amended (collectively, the “**Assessment Methodology Report**”); and

WHEREAS, the security for the repayment of the Bonds is the Series 2019 (Phase 7 and 8 Projects) Special Assessments (the “**Special Assessments**”) levied against the District Lands as described in the Assessment Methodology Report; and

WHEREAS, Assignee has adopted that certain 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 6 & 7 Engineer's Report for the 2017 Project prepared by Waldrop Engineering, Inc. and dated October 2017 and that certain **Flow Way Community Development District Phase 8 Engineer's Report for the 2018 Project prepared by Waldrop Engineering, Inc. and dated {June 2019}** (collectively, "**Engineer's Report**"), which Engineer's Report describes the Phase 7 and Phase 8 plans of development of Assignee (the "**Phase 7 and 8 Projects**"), a portion of which will be funded by the Bonds; and

WHEREAS, during the time in which the District Lands are being developed and prior to reaching Development Completion, there is an increased likelihood that adverse changes to local or national economic conditions may result in a default in the payment of the Special Assessments securing the Bonds; and

WHEREAS, Assignor represents and agrees that (i) Assignor is the owner of the District Lands; (ii) Assignor is the developer of the District Lands; (iii) the District Lands will receive a special benefit from the Phase 7 and 8 Projects; (iv) Assignor controls and/or will control certain permits and entitlements relating to the District Lands; and (v) Assignor's execution of this Assignment is a material condition precedent to Assignee's willingness to issue the Bonds; and

WHEREAS, in the event of default in the payment of the Special Assessments securing the Bonds or in the payment of a True-Up Payment (as defined in the True-Up Agreement between Assignee and Assignor being entered into concurrent herewith) or in the event of any other Event of Default (as defined herein), Assignee requires, in addition to the remedies afforded Assignee under the Master Trust Indenture dated December 1, 2013 (the "**Master Indenture**"), as supplemented by a Sixty Supplemental Trust Indenture dated as of July 1, 2017 (the "**Sixth Supplemental Indenture**" and, together with the Master Indenture, the "**Indenture**"), pursuant to which the Bonds are being issued, and the other agreements being entered into by Assignor concurrent herewith with respect to the Bonds and the Special Assessments (the Indentures and agreements being referred to collectively as the "**Bond Documents**," and such remedies being referred to collectively as the "**Remedial Rights**"), certain remedies with respect to the Development & Contract Rights (defined below) in order to complete or enable a third party to complete development of the District Lands to the point of Development Completion; and

WHEREAS, in the event Assignee exercises its Remedial Rights, Assignee requires this assignment of certain Development & Contract Rights (defined below), to complete development of the District Lands to Development Completion to the extent that such Development & Contract Rights have not been assigned, transferred, or otherwise conveyed to Collier County, Florida, Assignee, any other non-affiliated homebuilder, any utility provider, governmental or quasi-governmental entity, any applicable homeowners' association or other governing entity or association, as may be required by applicable permits, approvals, plats, entitlements or regulations affecting the District Lands, if any (a "**Prior Transfer**"); and

WHEREAS, this Assignment is not intended to impair or interfere with the development of those District Lands owned by Assignor as anticipated by and at substantially the densities and intensities envisioned in the Engineer's Report until an Event of Default (as hereinafter defined). Assignor shall have a revocable license to exercise all rights of Assignor under the Development & Contract Rights (as defined below); provided, however, that this Assignment shall not be effective and absolute to the extent that (i) this Assignment has been terminated earlier pursuant to the express terms of this Assignment; (ii) a Prior Transfer has already occurred with respect to the Development & Contract Rights, but only to the extent that such particular Development & Contract Rights are subject to the Prior Transfer; (iii) a Unit Parcel is conveyed to a homebuilder not affiliated with the Assignor or end-user resident, in which event such Unit Parcel shall be released automatically herefrom; or (iv) any property is in the future (but prior to enforcement of this Collateral Assignment) conveyed, to the County, Assignee, any unaffiliated homebuilder, any utility provider, governmental or quasi-governmental entity, any applicable homeowners'

association or other governing entity or association as may be required by applicable permits, approvals, plats, entitlements or regulations affecting Assignee, if any, but only to the extent that such particular Development & Contract Rights are subject to said transfer, in which event such property shall be automatically released herefrom (a “**Qualified Transferred Property**”); and

WHEREAS, the rights assigned to Assignee hereunder shall be exercised in a manner which will not materially affect the intended development of the District Lands; and

WHEREAS, absent this Assignment becoming effective and absolute, it shall automatically terminate upon the earliest to occur of the following: (i) payment of the Bonds in full; or (ii) Development Completion (herein, the “**Term**”).

NOW, THEREFORE, in consideration of the above recitals which the parties hereby agree are true and correct and are hereby incorporated by reference and other good and valuable consideration, the sufficiency of which is acknowledged, Assignor and Assignee agree as follows:

1. **Recitals.** The foregoing recitals are true and correct and incorporated herein by this reference as a material part of this Agreement.

2. **Collateral Assignment.** Assignor hereby collaterally assigns, transfers and sets over to Assignee, to the extent assignable and to the extent that they are solely owned or controlled by Assignor or subsequently acquired by the Assignor, all of Assignor’s development rights relating to development of the District Lands, and Assignor’s rights as declarant of all property and homeowners’ associations with respect to, and to the extent of the Unit Parcels not conveyed to third parties as of the date hereof (herein, collectively, the “**Development & Contract Rights**”) as security for Assignor’s payment and performance and discharge of its obligation to pay the Special Assessments levied against the District Lands owned by the Assignor from time to time. This assignment is absolute and effective immediately. Notwithstanding the foregoing, Assignor shall have a revocable license to exercise all rights under the Development & Contract Rights until an Event of Default (as defined below) shall have occurred. Upon the occurrence of an Event of Default, at Assignee’s option, by written notice to Assignor, Assignee shall have the right to exercise all of the Development & Contract Rights. Assignor hereby grants to Assignee a license to enter upon the District Lands for the purposes of exercising any of the Development & Contract Rights. The Development & Contract Rights shall include the items listed in subsections (a) through (h) below as they pertain to development of the District Lands or the Phase 7 and 8 Projects, but shall specifically exclude any portion of the Development & Contract Rights which relate solely to (i) a Qualified Transferred Property; (ii) any Prior Transfer; or (iii) lands outside the District Lands or improvements not included in the District Lands (except for off-site lands to the extent improvements are necessary or required to complete the development of the District Lands to Development Completion):

(a) Zoning approvals, density approvals and entitlements, concurrency and capacity certificates and development agreements;

(b) Engineering and construction plans and specifications for grading, roadways, site drainage, stormwater drainage, signage, water distribution, waste water collection, and other land development improvements;

(c) Preliminary and final site plans and plats;

(d) Architectural plans and specifications for buildings and other improvements constituting a part of the development of the District Lands and other infrastructure benefitting the District Lands;

(e) Permits, approvals, resolutions, variances, licenses, and franchises granted by governmental authorities, or any of their respective agencies, for or affecting the development within the District Lands or the Phase 7 and 8 Projects and construction of improvements thereon, except not including any of the foregoing related to residential structures, or the amenity structures within the District Lands constructed by or to be constructed by Assignor, and off-site to the extent improvements are necessary or required to complete the development of the District Lands to Development Completion;

(f) Contracts with engineers, architects, land planners, landscape architects, consultants, contractors, and suppliers for or relating to the construction of the District Lands or relating to the construction of improvements thereon;

(g) All impact fees and impact fee credits; and

(h) All future creations, changes, extensions, revisions, modifications, substitutions, and replacements of any of the foregoing.

3. **Warranties by Assignor.** Assignor represents and warrants to Assignee as follows:

(a) Other than Prior Transfers, Assignor has made no assignment of the Development & Contract Rights to any person other than Assignee.

(b) Assignor is not prohibited under agreement with any other person or under any judgment or decree from the execution and delivery of this Assignment.

(c) No action has been brought or threatened which would in any way interfere with the right of Assignor to execute this Assignment and perform all of Assignor's obligations herein contained.

(d) Assignor is the developer of the Unit Parcels and controls the master permits and entitlements for the District Lands.

(e) There are no required third-party consents to the transfer of the Development & Contract Rights.

(f) Any transfer, conveyance or sale of the District Lands shall subject any and all affiliated entities or successors-in-interest of the Assignor to the Assignment, except to the extent of a conveyance described in Section 2(i), (ii) or (iii).

4. **Covenants.** Assignor covenants with Assignee that during the Term (as defined above):

(a) Assignor will use reasonable, good faith efforts to: (i) fulfill, perform, and observe each and every material condition and covenant of Assignor relating to the Development & Contract Rights and (ii) give notice to Assignee of any claim of default relating to the Development & Contract Rights given to or by Assignor, together with a complete copy of any such claim.

(b) The Development & Contract Rights include, without limitation, all of Assignor's right to modify the Development & Contract Rights, to terminate the Development & Contract Rights, and to waive or release the performance or observance of any obligation or condition of the Development & Contract Rights; provided that no such modification, termination, waiver or release affects any of the Development & Contract Rights which pertain to lands outside of the District not relating to development of the District Lands.

(c) Assignor agrees to perform any and all actions necessary and use good faith efforts relating to any and all future creations, changes, extensions, revisions, modifications, substitutions, and replacements of the Development & Contract Rights.

(d) Assignor agrees to obtain any and all necessary third-party consents to the assignment or transfer of the Development & Contract Rights at the time of receipt or effectiveness of the Development & Contract Rights, for the contracts or entitlements that are obtained in the future.

(e) Assignor agrees not to take any action that would decrease the development entitlements to a level below the amount necessary to support the then outstanding Bonds.

5. **Events of Default.** Any (a) breach of the Assignor's warranties contained in Section 3 hereof; (b) breach of covenants contained in Section 4 hereof will, after the giving of written notice and an opportunity to cure (which cure period shall not be less than sixty (60) days unless Assignee, in its sole discretion, agrees to a longer cure period); or (c) Assignor's default in the payment of the Special Assessments or any installment thereof, shall constitute an "**Event of Default**" under this Assignment.

6. **Assignee Obligations.** Nothing herein shall be construed as an obligation on the part of Assignee to accept any liability for all or any portion of the Development & Contract Rights unless Assignee choose to do so in its sole discretion. Nor shall any provision hereunder be construed to place any liability or obligation on Assignee for compliance with the terms and provisions of all or any portion of the Development & Contract Rights. Assignor hereby agrees to indemnify, defend and hold harmless Assignee from any loss, cost, damage, claim or expense arising from or respect to any matter related to the Development & Contract Rights arising before the date that Assignee elects to revoke Assignor's license hereunder in accordance with Section 2 hereof.

7. **Remedies Upon Default.** Upon an Event of Default, or the transfer of title to Unit Parcels owned by Assignor pursuant to a judgment of foreclosure entered by a court of competent jurisdiction in favor of Assignee (or its designee) or a deed in lieu of foreclosure to Assignee (or its designee), or through the sale of tax certificates to Assignee (or its designee) (each hereinafter being a "**Transfer**"), Assignee shall have the right, but not the obligation subject to the provisions of Section 9 hereof, to take any or all of the following actions, at Assignee's option: (a) perform any and all obligations of Assignor relating to the Development & Contract Rights and exercise any and all rights of Assignor therein as fully as Assignor could; (b) initiate, appear in, or defend any action arising out of or affecting the Development & Contract Rights; and/or (c) further assign any and all of the Development & Contract Rights to a third party acquiring title to the District Lands or any portion thereof from Assignee or at a District foreclosure sale.

8. **Authorization.** After an Event of Default or a Transfer, Assignor does hereby authorize and shall direct any party to any agreement relating to the Development & Contract Rights to tender performance thereunder to Assignee upon written notice and request from Assignee. Any such performance in favor of Assignee shall constitute a full release and discharge to the extent of such performance as fully as though made directly to Assignor. Notwithstanding the foregoing or anything to the contrary set forth in this Assignment, no exercise by Assignee or Assignee's rights under this Assignment shall operate to release Assignor from its obligations under this Assignment.

9. **Third-Party Beneficiaries and Direction of Remedies Upon Default.** Assignor acknowledges that pursuant to the Indenture, U.S. Bank National Association (the "**Trustee**"), on behalf of the holders of the Bonds, shall be a direct third-party beneficiary of the terms and conditions of this Assignment. The Assignor acknowledges that pursuant to the Indenture, in the event of an Event of Default, the Trustee shall be entitled to enforce Assignor's obligations hereunder. The Trustee shall not be deemed by virtue of this Assignment to have assumed any obligations or duties.

10. **Miscellaneous.** Unless the context requires otherwise, whenever used herein, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders. The terms “person” and “party” shall include individuals, firms, associations, joint ventures, partnerships, estates, trusts, business trusts, syndicates, fiduciaries, corporations, and all other groups and combinations. Titles of paragraphs contained herein are inserted only as a matter of convenience and for reference and in no way define, limit, extend, or describe the scope of this Assignment or the intent of any provisions hereunder. This Assignment shall be construed under Florida law.

11. **Further Assurances.** Whenever and so often as requested by a party hereto, the other party will promptly execute and deliver or cause to be executed and delivered all such other and further instruments, documents or assurances, and promptly do or cause to be done all such other and further things as may be necessary and reasonably required in order to further and more fully vest in such party all rights, interest, powers, benefits, privileges and advantages conferred or intended to be conferred upon it by this Assignment.

12. **Amendments.** Amendments to this Agreement may be made only by an instrument in writing which is executed by all parties hereto. No amendment to this Agreement shall be made without the prior written consent of the Trustee for the Bonds at the written direction of the holders of the Bonds owning a majority of the aggregate principal amount of all Bonds outstanding.

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IN WITNESS WHEREOF, Assignor and Assignee have caused this Assignment to be executed and delivered on the day and year first written above.

ASSIGNOR:

WITNESSES:

**TAYLOR MORRISON ESPLANADE
NAPLES, LLC**, a Florida limited liability company

Witness Signature
Printed name: _____

By: Taylor Morrison of Florida, Inc., a
Florida corporation, its Manager and
Majority Member

Witness Signature
Printed name: _____

By: _____
Andrew (“Drew”) Miller, Authorized
Agent – Land Development

STATE OF FLORIDA)
) SS:
COUNTY OF COLLIER)

The foregoing instrument was acknowledged before me this ____ day of _____, 2019, by Andrew (“Drew”) Miller, Authorized Agent – Land Development of Taylor Morrison of Florida, Inc., a Florida corporation, as Manager and Majority Member of **TAYLOR MORRISON ESPLANADE NAPLES, LLC**, a Florida limited liability company, for and on behalf of said limited liability company, who [] is personally known to me or [] produced _____ as identification.

NOTARY STAMP:

Signature of Notary Public

Printed Name of Notary Public

ASSIGNEE:

**FLOW WAY COMMUNITY
DEVELOPMENT DISTRICT**

WITNESSES:

Witness Signature
Printed name:_____

By:_____
Andrew Miller, Chairman

Witness Signature
Printed name:_____

STATE OF FLORIDA)
) SS:
COUNTY OF COLLIER)

The foregoing instrument was acknowledged before me this ____ day of _____, 2019, by Andrew Miller, as Chairman of the Board of Supervisors of Flow Way Community Development District, for and on behalf of the District, who [] is personally known to me or [] produced _____ as identification.

NOTARY STAMP:

Signature of Notary Public

Printed Name of Notary Public

EXHIBIT A

Legal Description of District Lands

EXHIBIT H

FORM OF COMPLETION AGREEMENT

AGREEMENT REGARDING THE COMPLETION OF CERTAIN IMPROVEMENTS

THIS AGREEMENT REGARDING THE COMPLETION OF CERTAIN IMPROVEMENTS (this “**Agreement**”) is made and entered into as of this ____ day of _____, 2019, by and between **FLOW WAY COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special-purpose government established pursuant to Chapter 190, Florida Statutes, whose address is c/o JP Ward & Associates, LLC, 2900 Northeast 12th Terrace, Suite 1, Oakland Park, Florida 33334 (the “**District**”) and **TAYLOR MORRISON ESPLANADE NAPLES, LLC**, a Florida limited liability company and a landowner in the District, whose address is 551 N. Cattlemen Rd., Suite 200, Sarasota, FL 34232 (the “**Developer**”).

RECITALS

WHEREAS, the District was established by ordinance adopted by the Board of County Commissioners of Collier County, Florida pursuant to the Uniform Community Development District Act of 1980, Chapter 190, *Florida Statutes*, as amended (the “**Act**”), and is validly existing under the Constitution and laws of the State of Florida; and

WHEREAS, the Act authorizes the District to issue bonds for the purposes, among others, of planning, financing, constructing, operating and/or maintaining certain infrastructure, including roadways and sidewalks, stormwater infrastructure, sewer infrastructure, water infrastructure, reclaimed water, wetland mitigation, hardscape and landscape elements, street lighting and other infrastructure authorized by Chapter 190, Florida Statutes within or without the boundaries of the District; and

WHEREAS, the Developer is the primary owner of certain lands in Collier County, Florida that are located within the boundaries of the District; and

WHEREAS, the District is issuing certain Series 2019 Bonds (Phase 7 and 8 Projects) (as defined below) as described in a Limited Offering Memorandum dated as of July _____, 2019 (“**LOM**”); and

WHEREAS, the District has adopted an improvement plan for the planning, design, acquisition, construction, and installation of certain public infrastructure improvements, facilities and services within and without the boundaries of the District, which plan is detailed in that certain 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 6 & 7 Engineer’s Report for the 2017 Project prepared by Waldrop Engineering, Inc. and dated October 2017 and as further supplemented by that certain **Flow Way Community Development District Phase 8 Engineer’s Report for the 2018 Project prepared by Waldrop Engineering, Inc. and dated June 2019** (collectively, the “**Engineer’s Report**”). The Engineer’s Report contemplates that such public infrastructure improvements, facilities and services would be undertaken in phases. The portion of the Engineer’s Report that outlines the improvement plan for the planning, design, acquisition, construction, and installation of certain public infrastructure improvements, facilities and services for Phase 7 and Phase 8 shall be referred to herein as the “**Phase 7 and 8 Projects**” (as further defined in the LOM); and

WHEREAS, the Engineer’s Report describes the overall improvement plan for the Phase 7 and 8 Projects in the approximate amount of \$_____; and

WHEREAS, the District has imposed special assessments on a portion of the assessable property within the District, which portions are described as Phase 7 and Phase 8 in the LOM, to secure financing for the construction or acquisition of the public infrastructure improvements for the Phase 7 and 8 Projects described in the Engineer's Report, and has validated not to exceed \$45,000,000.00 in special assessment bonds to fund the planning, design, permitting, construction and/or acquisition of improvements including, but not limited to, portions of the Phase 7 and 8 Projects; and

WHEREAS, the District intends to finance a portion of the Phase 7 and 8 Projects through the use of proceeds from the anticipated sale of \$_____,000.00 in aggregate principal amount of Flow Way Community Development District (Collier County, Florida) Special Assessment Bonds, Series 2019 (the "**Series 2019 Bonds (Phase 7 and 8 Projects)**") ; and

WHEREAS, in order to ensure that Phase 7 and 8 Projects is completed and funding is available in a timely manner to provide for its completion, the parties hereby agree that the District will not be obligated to issue bonds other than the Series 2019 Bonds (Phase 7 and 8 Projects) to fund the Phase 7 and 8 Projects and the Developer will make provision for any additional funds that may be needed in the future for the completion of the Phase 7 and 8 Projects over and above that amount including, but not limited to, all administrative, legal, warranty, engineering, permitting or other related soft costs (provided, however, that nothing herein shall be construed to limit the authority of the District to issue additional bonds to fund the Phase 7 and 8 Projects).

NOW, THEREFORE, based upon good and valuable consideration and the mutual covenants of the parties, the receipt of which and sufficiency of which are hereby acknowledged, the District and the Developer agree as follows:

1. **Recitals.** The foregoing recitals are true and correct and incorporated herein by this reference as a material part of this Agreement.

2. **Completion of Improvements.** The Developer and the District agree and acknowledge that the District's proposed Series 2019 (Phase 7 and 8 Projects) Bonds will provide only a portion of the funds necessary to complete the Phase 7 and 8 Projects described in the Engineer's Report. Therefore, the Developer hereby agrees to complete, cause to be completed, provide funds or cause funds to be provided to the District in an amount sufficient to allow the District to complete or cause to be completed, those portions of the Phase 7 and 8 Projects described in the Engineer's Report which remain unfunded including, but not limited to, all administrative, legal, warranty, engineering, permitting or other related soft costs (the "**Remaining Improvements**") whether pursuant to existing contracts, including change orders thereto, or future contracts. Nothing herein shall cause or be construed to require the District to issue additional bonds or indebtedness to provide funds for any portion of the Remaining Improvements. The District and Developer hereby acknowledge and agree that the District's execution of this Agreement constitutes the manner and means by which the District has elected to provide any and all portions of the Remaining Improvements.

(a) When all or any portion of the Remaining Improvements are the subject of an existing District contract, the Developer shall provide funds or cause funds to be provided directly to the District in an amount sufficient to complete the Remaining Improvements pursuant to such contract, including change orders thereto.

(b) When any portion of the Remaining Improvements is not the subject of an existing District contract, the Developer may choose to complete, cause to be completed, provide funds or cause funds to be provided to the District in an amount sufficient to allow the District to complete or cause to be completed, those Remaining Improvements, so long as the District's Board of Supervisors determines that

the option selected by the Developer will not adversely impact the District and is in the District's best interests, as determined by the Board of Supervisors. To the extent the District's Board of Supervisors determines the option selected by the Developer will adversely impact the District and/or is not in the District's best interests, the Developer shall complete said portion of the Remaining Improvements in the manner requested by the District.

3. Other Conditions and Acknowledgments

(a) The District and the Developer agree and acknowledge that the exact location, size, configuration and composition of the Phase 7 and 8 Projects described in the Engineer's Report may change from that described in the Engineer's Report, depending upon final design of the development, permitting or other regulatory requirements over time, or other factors. Material changes to the Phase 7 and 8 Projects shall be made by a written amendment to the Engineer's Report, which shall include an estimate of the cost of the changes. Material changes to the Phase 7 and 8 Projects shall require the prior written consent of the Trustee for the Series 2019 Bonds (Phase 7 and 8 Projects) acting at the direction of the holders of the Series 2019 Bonds (Phase 7 and 8 Projects) owning a majority of the aggregate principal amount of all Series 2019 Bonds (Phase 7 and 8 Projects) outstanding.

(b) The District and Developer agree and acknowledge that any and all portions of the Remaining Improvements which are constructed, or caused to be constructed, by the Developer shall be conveyed to the District to be owned by the District or for possible conveyance by the District to such other appropriate unit of local government as is designated in the Engineer's Report or required by governmental regulation or development approval. All conveyances to another governmental entity shall be in accordance with and in the same manner as provided in any agreement between the District and the appropriate unit of local government.

(c) Notwithstanding anything to the contrary contained in this Agreement, the payment or performance by the Developer of its completion obligations hereunder is expressly subject to, dependent and conditioned upon (a) the issuance of \$_____00 par amount of Series 2019 Bonds (Phase 7 and 8 Projects) and use of a portion of the proceeds thereof to acquire or construct a portion of the Phase 7 and 8 Projects described in the Engineer's Report, and (b) the scope, configuration, size and/or composition of the Phase 7 and 8 Projects described in the Engineer's Report not materially changing without the consent of the Developer. Such consent is not necessary and the Developer must meet the completion obligations, or cause them to be met, when the scope, configuration, size and/or composition of the Phase 7 and 8 Projects is materially changed in response to a requirement imposed by a regulatory agency; provided, however, no such change shall relieve the Developer of its obligation to meet the completion obligations for the Phase 7 and 8 Projects set forth herein.

4. Default. In the event of any default by the Developer in satisfying its obligations as and when required by the terms of this Agreement, then the District shall notify the Developer in writing of such default, and the Developer shall have a period of thirty (30) days from and after notice from the District to cure such default ("**Developer Cure Period**"). If the Developer fails to cure such default within the Developer Cure Period, then the District shall have the right, but not the obligation, to satisfy any such obligations giving rise to the default directly and thereafter record a lien against any or all lands then owned by the Developer within the District for the amount of any costs incurred by the District in satisfying such defaulted obligations, which lien shall be enforceable and foreclosable in the manner of construction lien pursuant to Section 713, Florida Statutes. In addition, upon a default by the Developer beyond the applicable cure periods set forth herein, the District shall be entitled to all remedies available at law or in equity, which may include, but not be limited to, the right of actual damages and/or specific performance. Notwithstanding the foregoing, nothing in this section shall operate to release the Developer from its respective obligations under this Agreement. Except as expressly set forth otherwise in this Agreement, the District shall be solely

responsible for enforcing its rights under this Agreement against any interfering third party. Except as expressly set forth otherwise in this Agreement, nothing contained in this Agreement shall limit or impair the District's right to protect its rights from interference by a third party to this Agreement.

5. Enforcement of Agreement. In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the parties agree that the prevailing party shall be entitled to recover from the other all fees and costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings. Notwithstanding anything to the contrary herein, in no event shall either party be entitled to any consequential, punitive, exemplary or special damage awards with respect to the enforcement of this Agreement.

6. Amendments. Amendments to this Agreement may be made only by an instrument in writing which is executed by both the District and the Developer. No amendment to this Agreement shall be made without the prior written consent of the Trustee acting at the direction of the holders of the Series 2019 Bonds (Phase 7 and 8 Projects) owning a majority of the aggregate principal amount of all Series 2019 Bonds (Phase 7 and 8 Projects) outstanding.

7. Authorization. The execution of this Agreement has been duly authorized by the appropriate body or official of the District and the Developer, both the District and the Developer have complied with all the requirements of law, and both the District and the Developer have full power and authority to comply with the terms and provisions of this instrument.

8. Notices. All notices, requests, consents and other communications under this Agreement ("**Notices**") shall be in writing and shall be hand delivered, sent by regular U.S. Mail, or delivered via overnight delivery service to the parties, as follows:

- A. If to District:** Flow Way
Community Development District
c/o JPWard & Associates, LLC
2900 Northeast 12th Terrace, Suite 1
Oakland Park, FL 33334
Attn: District Manager
- With a copy to:** Coleman, Yovanovich & Koester, P.A.
4001 Tamiami Trail N., Suite 300
Naples, Florida 34103
Attn: Gregory L. Urbancic, Esq.
- B. If to Developer:** Taylor Morrison Esplanade Naples, LLC
551 N Cattlemen Rd Suite 200
Sarasota, FL 34232
Attn: Manager
- With a copy to:** Kristy Boss, Esq.
Deputy General Counsel
Taylor Morrison
1211 N. Westshore Blvd. Ste. 512.
Tampa, Florida 33607

Except as otherwise provided in this Agreement, any Notice shall be deemed received only upon actual delivery at the address set forth above. Notices delivered after 5:00 p.m. (at the place of delivery) or

on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the District and counsel for the Developer may deliver Notice on behalf of the District and the Developer. Any party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) days written notice to the parties and addressees set forth herein.

9. Arm's Length Transaction. This Agreement has been negotiated fully between the District and the Developer as an arm's length transaction. Both parties participated fully in the preparation of this Agreement and received the advice of counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, both parties are deemed to have drafted, chosen, and selected the language, and the doubtful language will not be interpreted or construed against either the District or the Developer.

10. Third Party Beneficiaries. This Agreement is solely for the benefit of the District and the Developer and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the District and the Developer any right, remedy, or claim under or by reason of this Agreement or any of the provisions or conditions of this Agreement; and all of the provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the District and the Developer and their respective representatives, successors, and assigns. Notwithstanding the foregoing, the Trustee for the Series 2019 Bonds (Phase 7 and 8 Projects), on behalf of the holders of the Series 2019 Bonds (Phase 7 and 8 Projects), shall be a direct third party beneficiary of the terms and conditions of this Agreement and shall be entitled to enforce the Developer's obligations hereunder. Said Trustee shall not be deemed to have assumed any obligation as a result of this Agreement.

11. Assignment. Neither the District nor the Developer may assign this Agreement or any monies to become due hereunder without the prior written approval of the other party hereto and the Trustee acting at the direction of the holders of the Series 2019 Bonds (Phase 7 and 8 Projects) owning a majority of the aggregate principal amount of all Series 2019 Bonds (Phase 7 and 8 Projects) outstanding.

12. Applicable Law and Venue. This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Each party consents that the venue for any litigation arising out of or related to this Agreement shall be in Collier County, Florida.

13. Effective Date. This Agreement shall be effective upon execution by both the District and the Developer.

14. Public Records. The Developer understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records and treated as such in accordance with Florida law.

15. Severability. The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.

16. Limitations on Governmental Liability. Nothing in this Agreement shall be deemed as a waiver of immunity or limits of liability of the District beyond any statutory limited waiver of immunity or

limits of liability which may have been adopted by the Florida Legislature in Section 768.28, *Florida Statutes*, or other statute, and nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law.

17. Headings for Convenience Only. The descriptive headings in this Agreement are for convenience only and shall not control nor affect the meaning or construction of any of the provisions of this Agreement.

18. Counterparts. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original; however, all such counterparts together shall constitute, but one and the same instrument. Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

(Remainder of Page Intentionally Left Blank. Signatures Begin on Next Page.)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

DISTRICT:

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT

ATTEST:

James P. Ward, Secretary

By: _____
Andrew Miller, Chairman

DEVELOPER:

TAYLOR MORRISON ESPLANADE NAPLES, LLC, a Florida limited liability company

By: **TAYLOR MORRISON OF FLORIDA, INC.**, a Florida corporation, its Manager and Majority Member

By: _____
Andrew (“Drew”) Miller, Authorized Agent – Land Development

Incorporated by Reference:

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 6 & 7 Engineer’s Report for the 2017 Project prepared by Waldrop Engineering, Inc. and dated October 2017, and as further supplemented by that certain Flow Way Community Development District Phase 8 Engineer’s Report for the 2018 Project prepared by Waldrop Engineering, Inc. and dated June 2019

RESOLUTION NO. 2019-16

A RESOLUTION OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE ACQUISITION OF CERTAIN POTABLE WATER AND WASTEWATER UTILITY FACILITIES FOR PHASE 5, PARCEL I FROM THE DEVELOPER, TAYLOR MORRISON ESPLANADE NAPLES, LLC AND AUTHORIZING THE CONVEYANCE OF SUCH POTABLE WATER AND WASTEWATER UTILITY FACILITIES TO COLLIER COUNTY; AUTHORIZING THE CHAIRMAN OR THE VICE CHAIRMAN (IN THE CHAIRMAN'S ABSENCE) TO EXECUTE SUCH CONVEYANCE DOCUMENTS TO THE EXTENT NECESSARY TO EVIDENCE THE DISTRICT'S ACCEPTANCE AND CONVEYANCE; PROVIDING FOR SEVERABILITY, PROVIDING FOR CONFLICTS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Flow Way Community Development District (the "District") is a local unit of special purpose government created and existing pursuant to Chapter 190, Florida Statutes, and situated within Collier County, Florida; and

WHEREAS, the District is organized for the purposes of providing community development services and facilities benefiting the development known as Esplanade Golf and Country Club of Naples; and

WHEREAS, Chapter 190, Florida Statutes, authorizes the District to construct, install, operate, finance and/or maintain systems and facilities for certain basic infrastructure including, but not limited to, district roads, sanitary sewer collection system, potable water distribution system, stormwater/floodplain management, off-site improvements, landscape and hardscape, irrigation system, street lighting, conservation areas, mitigation areas, and wildlife habitat, and other public improvements; and

WHEREAS, the applicable Collier County development orders, approvals, codes, ordinances and regulations generally require or contemplate the conveyance of various on-site potable water and wastewater utility systems being constructed or acquired by the District to Collier County; and

WHEREAS, the acquisition by the District of potable water and wastewater utility systems and thereafter the conveyance of such potable water and sanitary sewer systems to Collier County requires the Chairman or Vice Chairman (in the Chairman's absence) to sign or execute certain documents on behalf of the District; and

WHEREAS, the District desires to acquire certain potable water and wastewater utility facilities related to Phase 5, Parcel I ("Utility Facilities") from Taylor Morrison Esplanade Naples, LLC, a Florida limited liability company ("Taylor Morrison") and thereafter convey such Utility Facilities to Collier County.

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

SECTION 1. FINDINGS. The above recitals are true and correct and incorporated herein by this reference.

SECTION 2. ACQUISITION OF UTILITY FACILITIES AND CONVEYANCE TO COLLIER COUNTY. The District hereby desires to acquire the Utility Facilities from Taylor Morrison pursuant to the utility conveyance documents attached hereto and made a part hereof as **Exhibit "A"** ("Acquisition Documents"). Following such acquisition, the District hereby desires to convey the Utility Facilities to Collier County pursuant to the utility conveyance documents attached hereto and made a part hereof as **Exhibit "B"** ("Conveyance Documents").

SECTION 3. DELEGATION OF AUTHORITY. The Chairman or the Vice Chairman (in the Chairman's absence) of the District's Board of Supervisors is hereby authorized to execute the Acquisition Documents as necessary to evidence the District's acquisition of the Utility Facilities. The Chairman or the Vice Chairman (in the Chairman's absence) of the District's Board of Supervisors is hereby authorized to execute the Conveyance Documents as necessary to convey the Utility Facilities to Collier County. The Secretary and any Assistant Secretary of the District is hereby authorized to countersign any Acquisition Documents or Conveyance Documents signed by the Chairman or Vice Chairman (in the Chairman's absence), if necessary or required.

SECTION 4. 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 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 5. CONFLICTS. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, superseded and repealed.

SECTION 6. EFFECTIVE DATE. This Resolution shall be effective immediately upon its adoption.

{Remainder of the page intentionally left blank. Signatures begin on the next page.}

PASSED AND ADOPTED at a meeting of the Board of Supervisors of Flow Way Community Development District this 20th day of June, 2019.

Attest:

**FLOW WAY COMMUNITY
DEVELOPMENT DISTRICT**

James P. Ward, Secretary

Andrew Miller, Chairman

Exhibit "A"

Exhibit "A"

Drafted by and return to:

Gregory L. Urbancic, Esq.
Coleman, Yovanovich & Koester, P.A.
4001 Tamiami Trail North, Suite 300
Naples, Florida 34103

UTILITY FACILITIES WARRANTY DEED AND BILL OF SALE
(Taylor Morrison Esplanade Naples, LLC to Flow Way CDD)
(Phase 5, Parcel "T")

THIS INDENTURE made as of this ___ day of _____, 2019, between **TAYLOR MORRISON ESPLANADE NAPLES, LLC**, a Florida limited liability company (hereinafter referred to as "Grantor"), and **FLOW WAY COMMUNITY DEVELOPMENT DISTRICT**, a community development district established and existing pursuant to Chapter 190, Florida Statutes (hereinafter referred to as "Grantee").

W I T N E S S E T H:

That said Grantor, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to said Grantor in hand paid by said Grantee, the receipt whereof is hereby acknowledged, has granted, bargained and sold to the said Grantee, and Grantee's heirs, successors and assigns forever, all potable water and wastewater utility facilities and/or system(s) or portion(s) thereof lying in, on, over and under the following described land, for operation, relocation, installation, repair and/or maintenance of said facilities, system(s) or portion(s) thereof, all situate and lying and being in Collier County, Florida, to wit:

(See Exhibit "A" attached hereto and incorporated by reference herein.)

(Exhibit "B" attached hereto is a sketch or other graphic representation which depicts the physical location of the utility systems being conveyed.)

and said Grantor does hereby fully warrant the title to said utility facilities and/or system(s) or portion(s) thereof, be they realty, personalty, or mixed, and Grantor will defend such title against all claims of all persons whomsoever. For the purposes of this conveyance, the utility facilities, system(s) and/or portion(s) thereof conveyed herein shall not be deemed to convey any of the lands described in either exhibit. Grantor and Grantee are used for singular or plural, as context allows. A sketch or other graphic representation showing the location of the utility facilities, etc., being conveyed is attached as Exhibit B.

TO HAVE AND TO HOLD the same unto Grantee and its assigns, together with the right to enter upon said land, excavate, relocate and/or take or introduce materials for the purpose of constructing, relocating, operating, repairing and/or otherwise maintaining utility systems thereon. Grantor and Grantee are used for singular or plural, as the context requires.

IN WITNESS WHEREOF, Grantor has caused these presents to be executed the date and year first above written.

TAYLOR MORRISON ESPLANADE NAPLES, LLC,
a Florida limited liability company

Witnesses:

By: TAYLOR MORRISON OF FLORIDA, INC.,
a Florida corporation, its Manager and Majority
Member

Signature
Printed Name: _____

By: _____
Andrew Miller, Authorized Agent

Signature
Printed Name: _____

STATE OF FLORIDA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me, this _____ of _____, 2019, by Andrew Miller, as Authorized Agent of Taylor Morrison of Florida, Inc., a Florida corporation, Manager and Majority Member of Taylor Morrison Esplanade Naples, LLC, a Florida limited liability company, on behalf of the companies, who is () personally known to me or () has produced _____ as evidence of identification.

(SEAL)

NOTARY PUBLIC
Name: _____
(Type or Print)
My Commission Expires:

Exhibit "A"
Legal Description

Tract "R1 & R2" of Esplanade Golf and Country Club of Naples Phase 5 Parcels "T", "J", "K1", "K2", "K3" and "K4". According to the Plat thereof as recorded in Plat Book 66, Pages 3 Through 15, of the Public Records of Collier County, Florida.

Esplanade Golf and Country Club of Naples Phase 5 Parcels "I", "J", "K1", "K2", "K3" and "K4"

PLAT BOOK 66 PAGE 4

SHEET 2 OF 13
SEE SHEET 4 OF 13
FOR LINE AND CURVE TABLES

A REPLAT OF ALL OF TRACT "O1", ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 4, PARCEL "L", RECORDED IN PLAT BOOK 63, PAGES 3 THROUGH 6 (INCLUSIVE), TOGETHER WITH ALL OF TRACTS "O2", "O3", "PUE1", "PUE2", "PUE3", "PUE6", "PUE7", "PUE8", "PUE9", LOTS 1376 THROUGH 1383 (INCLUSIVE) AND A PORTION OF TRACT "R1", ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 3, BLOCKS "K1", "K2" AND "H3", RECORDED IN PLAT BOOK 62, PAGES 64 THROUGH 69 (INCLUSIVE), TOGETHER WITH A PORTION OF TRACT "L33", ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES, BLOCKS "D", "F" AND "H", RECORDED IN PLAT BOOK 59, PAGES 31 THROUGH 45 (INCLUSIVE), TOGETHER WITH ALL OF TRACTS "OC1A" AND "L19", ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2, RECORDED IN PLAT BOOK 55, PAGES 45 THROUGH 60 (INCLUSIVE), TOGETHER WITH ALL OF TRACTS "A" AND "L23" AND PORTIONS OF TRACTS "F1", "GC1", "GC3", "L22" AND "W", ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES, RECORDED IN PLAT BOOK 53, PAGES 1 THROUGH 64 (INCLUSIVE), LOCATED WITHIN SECTION 15, TOWNSHIP 48 SOUTH, RANGE 26 EAST, COLLIER COUNTY, FLORIDA

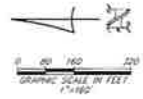
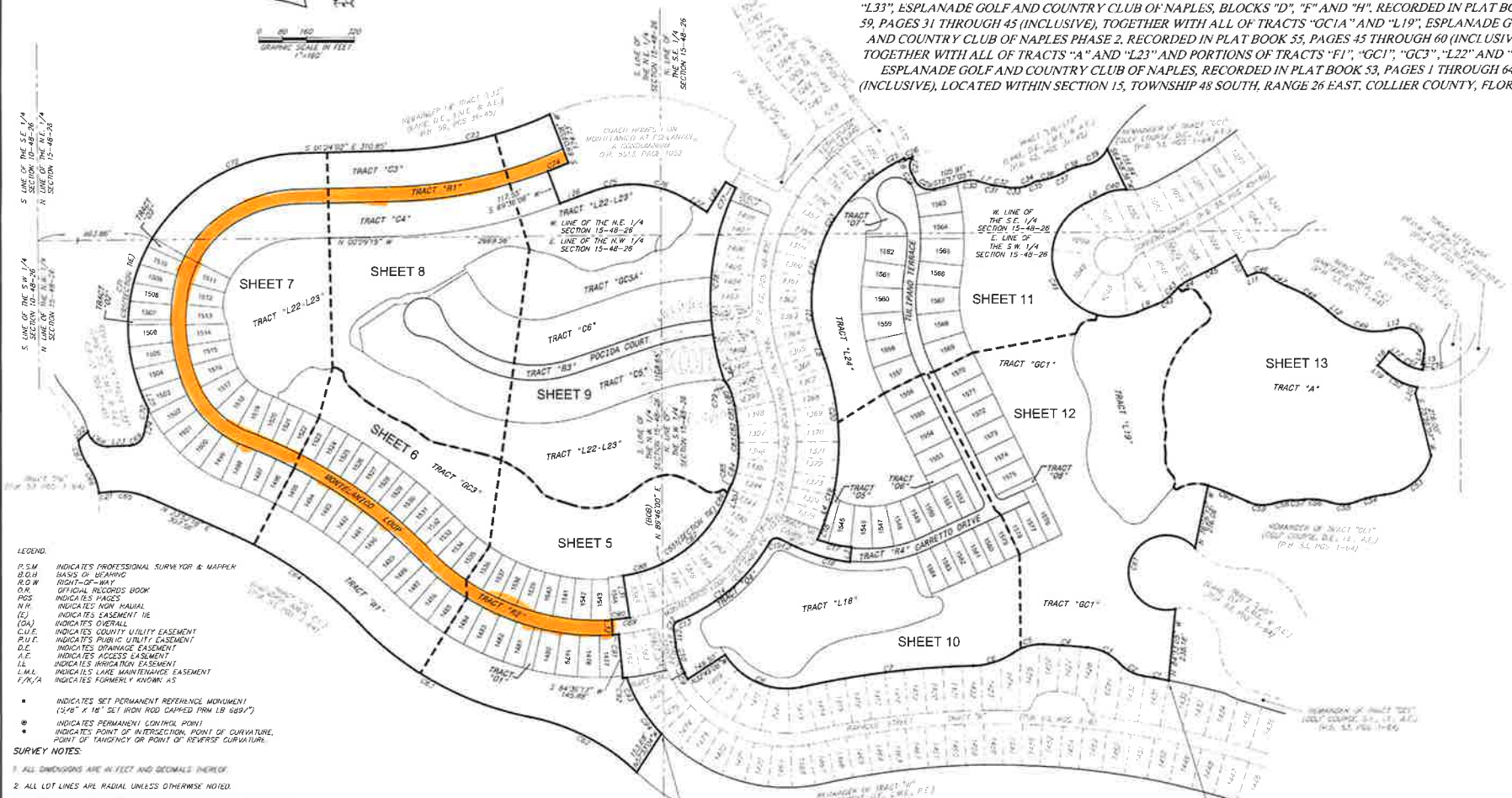


Exhibit "B"



- LEGEND:
- P.S.M. INDICATES PROFESSIONAL SURVEYOR & MAPPER
 - B.S.M. BOUNDS OF SURVING
 - R.O.W. RIGHT-OF-WAY
 - O.R. OFFICIAL RECORDS BOOK
 - POS. INDICATES POSSES
 - N.H. INDICATES NON HAZARD
 - VE. INDICATES EASEMENT TO
 - (CA) INDICATES OVERALL
 - C.U.E. INDICATES COUNTY UTILITY EASEMENT
 - P.U.E. INDICATES PUBLIC UTILITY EASEMENT
 - D.C. INDICATES DRAINAGE EASEMENT
 - A.E. INDICATES ACCESS EASEMENT
 - I.E. INDICATES IRRIGATION EASEMENT
 - L.M. INDICATES LAKE MAINTENANCE EASEMENT
 - F.P.A. INDICATES FORMERLY KNOWN AS

- INDICATES SET PERMANENT REFERENCE MONUMENT (3/4" X 1/8" SET IRON ROD CAPPED FROM LB 8897)
- INDICATES PERMANENT CONTROL POINT
- INDICATES POINT OF INTERSECTION, POINT OF CURVATURE, POINT OF TANGENCY OR POINT OF REVERSE CURVATURE.

- SURVEY NOTES:
1. ALL DIMENSIONS ARE IN FEET AND DECIMALS THEREOF.
 2. ALL LOT LINES ARE RADIAL UNLESS OTHERWISE NOTED.
 3. UNLESS OTHERWISE NOTED ALL CURVES ARE TANGENTIAL AND CIRCULAR.
 4. BEARINGS ARE BASED ON THE SOUTH LINE OF THE NORTHWEST 1/4 OF SECTION 15, TOWNSHIP 48 SOUTH, RANGE 26 EAST, COLLIER COUNTY, FLORIDA AS BEING NORTH 85°46'00" EAST AND RELATE TO THE FLORIDA STATE PLANE COORDINATE SYSTEM FOR FLORIDA ZONE EAST, NORTH AMERICAN DATUM OF 1983, 1990 ADJUSTMENT (NAD83/90).
 5. RESERVATIONS, RESTRICTIONS, EASEMENTS AND COVENANTS OF RECORD RECORDED IN OFFICIAL RECORDS BOOK 4932 PAGE 1245 ET. SEQ., AS AMENDED, OF THE PUBLIC RECORDS OF COLLIER COUNTY, FLORIDA

POINT OF BEGINNING
PHASE 5 NORTH
SOUTHWEST MOST CORNER
LOT 1475
ESPLANADE GOLF AND COUNTRY CLUB
OF NAPLES PHASE 4
PARCEL 4
(P.B. 63, PGS. 3-6)

POINT OF BEGINNING
PHASE 5 SOUTH
SOUTHEAST MOST CORNER
LOT 1431
ESPLANADE GOLF AND COUNTRY CLUB
OF NAPLES PHASE 4
PARCEL 4
(P.B. 63, PGS. 3-6)

THIS INSTRUMENT PREPARED BY
JOHN SCOTT RHODES P.S.M. #2739
RHODES & RHODES
LAND SURVEYING, INC.
28100 BONITA GRANDI DRIVE, SUITE #107
ROMINA SPRINGS, FL 34108
(239) 400-8165 FAX NO. (239) 400-8165
FLORIDA BUSINESS LICENSE NO. LB 6897

DEED OF UTILITY EASEMENT
(Taylor Morrison Esplanade Naples, LLC to Flow Way CDD)
(Phase 5, Parcel "I")

THIS UTILITY EASEMENT (UE), is granted and conveyed as of this ____ day of _____, 2019, by **TAYLOR MORRISON ESPLANADE NAPLES, LLC**, a Florida limited liability company, as Grantor, to **BOARD OF COUNTY COMMISSIONERS OF COLLIER COUNTY, FLORIDA, AS THE GOVERNING BODY OF COLLIER COUNTY, AND AS THE EX-OFFICIO GOVERNING BOARD OF THE COLLIER COUNTY WATER-SEWER DISTRICT**, its successors and/or assigns, and **FLOW WAY COMMUNITY DEVELOPMENT DISTRICT**, a community development district established and existing pursuant to Chapter 190, Florida Statutes, as Grantee.

WITNESSETH: That Grantor for and in consideration of the sum of ten dollars (\$10.00) and other valuable consideration paid by Grantee, receipt of which by is hereby acknowledged by Grantor, hereby conveys, grants, bargains and sells unto Grantee, its successors and assigns, a perpetual, non-exclusive easement, license, right and privilege to enter upon and to install, relocate, repair and/or otherwise maintain utility system(s) and utility facilities, and/or portion(s) thereof, in, on, over and under the lands located in Collier County, Florida, described on **Exhibit "A"** attached hereto and made a part hereof.

TO HAVE AND TO HOLD the same unto Grantee, its successors and/or assigns, together with the right and privilege to enter upon said land to excavate, relocate and/or take and/or introduce materials for the purpose of constructing, operating, relocating, repairing and/or otherwise maintaining the subject utility facilities and/or system(s) or portion(s) thereof, in, on, over and/or under the easement area. Grantor and Grantee are used for singular or plural, as the context allows.

Signatures appear on the following page.

IN WITNESS WHEREOF, Grantor has caused these presents to be executed the date and year first above written.

TAYLOR MORRISON ESPLANADE NAPLES, LLC,
a Florida limited liability company

Witnesses:

By: TAYLOR MORRISON OF FLORIDA, INC.,
a Florida corporation, its Manager and Majority
Member

Signature
Printed Name: _____

By: _____
Andrew Miller, Authorized Agent

Signature
Printed Name: _____

STATE OF FLORIDA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me, this _____ of _____, 2019, by Andrew Miller, as Authorized Agent of Taylor Morrison of Florida, Inc., a Florida corporation, Manager and Majority Member of Taylor Morrison Esplanade Naples, LLC, a Florida limited liability company, on behalf of the companies, who is () personally known to me or () has produced _____ as evidence of identification.

(SEAL)

NOTARY PUBLIC
Name: _____
(Type or Print)
My Commission Expires:

Exhibit "A"
Legal Description

Tract "R1 & R2" of Esplanade Golf and Country Club of Naples Phase 5 Parcels "I", "J", "K1", "K2", "K3" and "K4". According to the Plat thereof as recorded in Plat Book 66, Pages 3 Through 15, of the Public Records of Collier County, Florida.

OWNER'S AFFIDAVIT
(Taylor Morrison Esplanade Naples, LLC to Flow Way CDD)
(Phase 5, Parcels "P")

STATE OF FLORIDA

COUNTY OF _____

BEFORE ME, the undersigned authority, personally appeared Andrew Miller, who to me is well known, and having been duly sworn and under oath, deposes and states:

1. My name is Andrew Miller. I am over the age of twenty-one (21) years, am Sui Juris, and have personal knowledge of the facts asserted herein.
2. I am the Authorized Agent of **TAYLOR MORRISON OF FLORIDA, INC.**, a Florida corporation, the manager and majority member of **TAYLOR MORRISON ESPLANADE NAPLES, LLC**, a Florida limited liability company, the owner of that certain real property located within Collier County, Florida, and described on **Exhibit "A"**.
3. All persons, firms, and corporations, including the general contractor, all laborers, subcontractors and sub-subcontractors, material men and suppliers who have furnished services, labor or materials according to plans and specifications, or extra items, used in the construction, installation and/or repair of potable water and wastewater utility system(s) or portion(s) thereof on the real estate hereinafter described, have been paid in full and that such work has been fully completed and unconditionally accepted by the current owner of such facilities.
4. No claims have been made to the owner, nor is any suit now pending on behalf of any contractor, subcontractor, sub-subcontractor, supplier, laborer or material-men, and no chattel mortgages or conditional bills of sale have been given or are now outstanding as to the subject utility system(s) or portion(s) thereof placed upon or installed in or on the aforesaid premises.
5. Title to the subject utility system(s) or portion(s) thereof and/or easement(s), if any, being conveyed to the County is not encumbered by any recorded mortgage, recorded assignment of rents or profits, by any recorded Uniform Commercial Code Financing Statement, or by any other recorded document that imposes a security interest that could negatively affect conveyance of marketable title to the utility system(s) or portion(s) thereof and/or any easement being conveyed to the County.
6. As and on behalf of the owner of the subject utility system(s) or portion(s) thereof, does for valuable consideration hereby agree and guarantee, to hold Flow Way Community Development District, a community development district established and existing pursuant to Chapter 190, Florida Statutes, harmless against any lien, claim or suit by any general contractor, subcontractor, sub-subcontractor, supplier, mechanic, material-man, or laborer, and against chattel mortgages, security interests or repair of the subject potable water and wastewater utility system(s) or portion(s) thereof by or on behalf of Owner. Affiant is used as singular or plural, as the context requires.
7. The potable water and wastewater utility system(s) or portion(s) thereof referred to herein are located within the real property described in the attached **Exhibit "A"**.

FURTHER AFFIANT SAYETH NAUGHT.

DATED this ____ day of _____, 2019.

Andrew Miller, Authorized Agent

SUBSCRIBED AND SWORN to before me this ____ day of _____, 2019, by Andrew Miller, who is () personally known to me or () has produced _____ as evidence of identification

(SEAL)

NOTARY PUBLIC

Name: _____

(Type or Print)

My Commission Expires:

Exhibit "A"
Legal Description

Tract "R1 & R2" of Esplanade Golf and Country Club of Naples Phase 5 Parcels "T", "J", "K1", "K2", "K3" and "K4". According to the Plat thereof as recorded in Plat Book 66, Pages 3 Through 15, of the Public Records of Collier County, Florida.

PROMISSORY NOTE
(Phase 5, Parcel "I")

\$799,612.90

Collier County, Florida
Date: June __, 2019

FOR VALUE RECEIVED, **FLOW WAY NAPLES COMMUNITY DEVELOPMENT DISTRICT**, a community development district established pursuant to Chapter 190, Florida Statutes ("**MAKER**"), promises to pay to the order of **TAYLOR MORRISON ESPLANADE NAPLES, LLC**, a Florida limited liability company ("**HOLDER**") at 551 N. Cattlemen Rd., Suite 200, Sarasota, FL 34232 or at such place as HOLDER may from time to time designate in writing, the principal sum of: Seven Hundred Ninety-Nine Thousand Six Hundred Twelve and 90/100 DOLLARS (\$799,612.90) (the "**Principal Sum**") in accordance with the terms and condition of this Promissory Note (this "**Note**").

The Principal Sum of this Note shall not bear interest.

Payments under this Note shall be due and payable as follows:

This Note is made and shall be subject the terms and conditions of that certain Agreement Regarding the Acquisition of Certain Work Product, Infrastructure and Real Property by and between MAKER and HOLDER dated June __, 2019 (the "**Acquisition Agreement**"). Further, this Note is issued pursuant to Section 6 of the Acquisition Agreement and in conjunction with the transfer and conveyance of the Phase 5, Parcel I Potable Water and Wastewater Facilities (the "**Improvements**") to the District contemporaneously with this Note. Provided that (i) MAKER issues Special Assessment Bonds for Flow Way Community Development District (the "**District**") payable solely from special assessments properly levied on real property in the District benefitted by the Improvements ("**Bonds**"), there are sufficient construction funds from said Bonds to pay for the Improvements, and the conditions under the applicable trust indenture have been met for disbursement of applicable construction funds; (ii) the requirements of Section 6 of the Acquisition Agreement have been met; and (iii) HOLDER submits to MAKER a Requisition for payment of the Principal Sum representing the cost of Improvements, then MAKER shall within forty-five (45) days thereafter, pay the entire balance of the Principal Sum due under this Note. Notwithstanding the forgoing provision, in the event MAKER does not issue any applicable Bonds on or before five (5) years after the date of the Acquisition Agreement, then this Note shall be forgiven by HOLDER and cancelled and of no further force or effect.

This Note is a limited obligation of the District. The District is under no obligation to issue such Bonds at any time, and the Owner shall have no right to compel the District to issue such Bonds or to pay such principal from any other source of funds.

This Note can be prepaid at any time in whole or in part to HOLDER without penalty. All payments and prepayments shall be applied to the Principal Sum.

Prepayment shall not affect or vary the duty of MAKER to pay any obligation when due and the same shall not affect or impair the right of HOLDER to pursue all remedies available to it hereunder.

Notwithstanding anything contained herein to the contrary, HOLDER may not exercise any right or remedy provided for in this Note because of any default of MAKER, unless HOLDER shall have given written notice of the default to MAKER and MAKER shall have failed to pay the sum or sums due within a period of thirty (30) days after the date of such written notice. Failure of MAKER to cure a default within such cure period shall hereinafter be described as an “**Event of Default**”. Upon an Event of Default, the Principal Sum remaining unpaid, shall become immediately due and payable.

All communication required under or in connection with this Note shall be in writing, and shall be hand delivered, sent by commercial overnight courier, or sent by certified mail, postage prepaid, addressed to MAKER or HOLDER at the address either party may designate from time to time by written notice to the other party in the manner set forth herein.

Time is of the essence and in the event it is necessary to initiate collection of this Note or it is collected by law or through an attorney, or under advice therefrom, MAKER agrees to pay all costs of the collection and reasonable attorneys’ fees (including those attorneys’ fees that may be caused by appellate proceedings) that may be incurred in all matters of collections, enforcement, construction and interpretation hereunder.

The remedies of HOLDER, as provided herein, shall be cumulative and concurrent, and may be pursued singularly, successively or together, at the sole discretion of HOLDER, and may be exercised as often as occasion therefore arise. No act of omission or commission of HOLDER, including specifically any failure to exercise any right, remedy or recourse, shall be deemed to be a waiver or release of same, such waiver or release to be effected only through a written document, executed by HOLDER and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as continuing, as a bar to, or as a waiver or release of any subsequent event.

This Note is issued under and pursuant to the Constitution and laws of the State of Florida, particularly Chapter 190, Florida Statutes and other applicable provisions of law. This Note is issued with the intent that the laws of the State of Florida shall govern its construction.

THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE A GENERAL DEBT OR A PLEDGE OF THE FAITH AND CREDIT OF THE DISTRICT, OR A DEBT OR PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL, LEGISLATIVE OR CHARTER PROVISION OR LIMITATION, AND IT IS EXPRESSLY AGREED BY HOLDER THAT SUCH HOLDER SHALL NEVER HAVE THE RIGHT, DIRECTLY OR INDIRECTLY, TO REQUIRE OR COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE DISTRICT OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE OF FLORIDA OR TAXATION IN ANY FORM ON ANY REAL OR PERSONAL PROPERTY FOR THE PAYMENT OF THE PRINCIPAL ON THIS NOTE.

(Remainder of Page Intentionally Left Blank. Signature Appears on the Next Page.)

IN WITNESS WHEREOF, MAKER has caused this Promissory Note to be duly executed as of the day and year first above written.

MAKER:

**FLOW WAY COMMUNITY
DEVELOPMENT DISTRICT**

ATTEST:

James P. Ward, Secretary

By: _____
Andrew Miller, Chairman

Exhibit "B"

Drafted by and return to:

Gregory L. Urbancic, Esq.
Coleman, Yovanovich & Koester, P.A.
4001 Tamiami Trail North, Suite 300
Naples, Florida 34103

UTILITY FACILITIES WARRANTY DEED AND BILL OF SALE

(Flow Way CDD to Collier County)

(Phase 5, Parcel "I")

THIS INDENTURE made this ____ day of _____, 2019, between **FLOW WAY COMMUNITY DEVELOPMENT DISTRICT**, a community development district established and existing pursuant to Chapter 190, Florida Statutes (hereinafter referred to as "Grantor"), and **BOARD OF COUNTY COMMISSIONERS OF COLLIER COUNTY, FLORIDA, AS THE GOVERNING BODY OF COLLIER COUNTY, AND AS THE EX-OFFICIO GOVERNING BOARD OF THE COLLIER COUNTY WATER-SEWER DISTRICT**, its successors and/or assigns (hereinafter referred to as "Grantee").

W I T N E S S E T H:

That said Grantor, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to said Grantor in hand paid by said Grantee, the receipt whereof is hereby acknowledged, has granted, bargained and sold to the said Grantee, and Grantee's heirs, successors and assigns forever, all potable water and wastewater utility facilities and/or system(s) or portion(s) thereof lying in, on, over and under the following described land, for operation, relocation, installation, repair and/or maintenance of said facilities, system(s) or portion(s) thereof, all situate and lying and being in Collier County, Florida, to wit:

(See Exhibit "A" attached hereto and incorporated by reference herein.)

(Exhibit "B" attached hereto is a sketch or other graphic representation which depicts the physical location of the utility systems being conveyed.)

and said Grantor does hereby fully warrant the title to said utility facilities and/or system(s) or portion(s) thereof, be they realty, personalty, or mixed, and Grantor will defend such title against all claims of all persons whomsoever. For the purposes of this conveyance, the utility facilities, system(s) and/or portion(s) thereof conveyed herein shall not be deemed to convey any of the lands described in either exhibit. Grantor and Grantee are used for singular or plural, as context allows. A sketch or other graphic representation showing the location of the utility facilities, etc., being conveyed is attached as Exhibit B.

TO HAVE AND TO HOLD the same unto Grantee and its assigns, together with the right to enter upon said land, excavate, relocate and/or take or introduce materials for the purpose of constructing, relocating, operating, repairing and/or otherwise maintaining utility systems thereon. Grantor and Grantee are used for singular or plural, as the context requires.

IN WITNESS WHEREOF, Grantor has caused these presents to be executed the date and year first above written.

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT, a community development district established and existing pursuant to Chapter 190, Florida Statutes

Witnesses:

Signature
Printed Name: _____

By: _____
Andrew Miller, Chairman

Signature
Printed Name: _____

STATE OF FLORIDA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me, this ____ of _____ 2019, by Andrew Miller, as Chairman of Flow Way Community Development District, a community development district established and existing pursuant to Chapter 190, Florida Statutes, on behalf of the district, who is () personally known to me or () has produced _____ as evidence of identification.

(SEAL)

NOTARY PUBLIC
Name: _____
(Type or Print)
My Commission Expires:

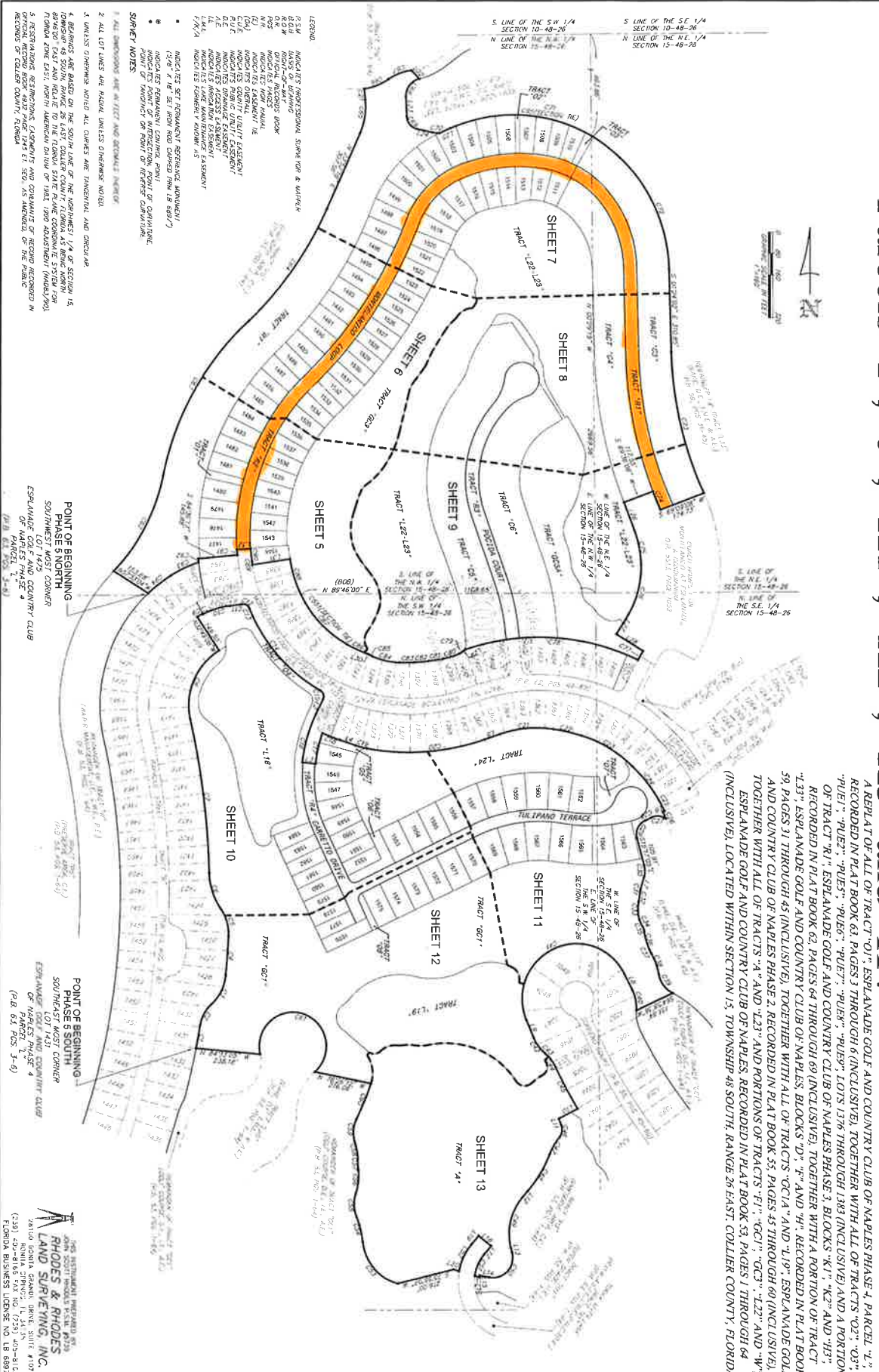
Exhibit "A"
Legal Description

Tract "R1 & R2" of Esplanade Golf and Country Club of Naples Phase 5 Parcels "T", "J", "K1", "K2", K3" and "K4". According to the Plat thereof as recorded in Plat Book 66, Pages 3 Through 15, of the Public Records of Collier County, Florida.

Esplanade Golf and Country Club of Naples Phase 5 Parcels "I", "J", "K1", "K2", "K3" and "K4"

PLAT BOOK 60 PAGE 4

SHEET 2 OF 13
SEE SHEET 4 OF 13
FOR LINE AND CURVE TABLES



LEGEND:
 1. S.M. INDICATES PORTION OF SURVEY FOR & WORK
 2. R.O.P. INDICATES RIGHT-OF-WAY
 3. N.W. INDICATES NEW MATERIAL
 4. (G.A.) INDICATES ORIGINAL
 5. (G.U.) INDICATES QUANTITY TOLERANCE
 6. (G.P.) INDICATES PLANNED EXISTENCE
 7. (G.E.) INDICATES EXISTENCE
 8. (G.L.) INDICATES LINE AND FINISH EXISTENT
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OWNER'S AFFIDAVIT
(Flow Way CDD to Collier County)
(Phase 5, Parcel "I")

STATE OF FLORIDA

COUNTY OF COLLIER

BEFORE ME, the undersigned authority, personally appeared Andrew Miller, who to me is well known, and having been duly sworn and under oath, deposes and states:

1. My name is Andrew Miller. I am over the age of twenty-one (21) years, am Sui Juris, and have personal knowledge of the facts asserted herein.

2. I am the Chairman of **FLOW WAY COMMUNITY DEVELOPMENT DISTRICT**, a community development district established and existing pursuant to Chapter 190, Florida Statutes, the owner of the subject utility system(s) that are located within that certain real property in Collier County, Florida, and described on Exhibit "A". Such real property is owned by Taylor Morrison Esplanade Naples, LLC, a Florida limited liability company, and said Exhibit "A" shows the location of the subject utility facilities being conveyed.

3. All persons, firms, and corporations, including the general contractor, all laborers, subcontractors and sub-subcontractors, material men and suppliers who have furnished services, labor or materials according to plans and specifications, or extra items, used in the construction, installation and/or repair of potable water and wastewater utility system(s) or portion(s) thereof on the real estate hereinafter described, have been paid in full and that such work has been fully completed and unconditionally accepted by the current owner of such facilities.

4. Title to the subject utility system(s) or portions(s) thereof and/or easement(s), if any, being conveyed to the County is not encumbered by any recorded mortgage, recorded assignment of rents or profits, by any recorded UCC Financing Statement, or any other recorded document that imposes a security interest that could negatively affect conveyance of marketable title to the County.

5. Title to the subject utility system(s) or portion(s) thereof and/or easement(s), if any, being conveyed to the County is not encumbered by any recorded mortgage, recorded assignment of rents or profits, by any recorded Uniform Commercial Code Financing Statement, or by any other recorded document that imposes a security interest that could negatively affect conveyance of marketable title to the utility system(s) or portion(s) thereof and/or any easement being conveyed to the County.

6. No claims have been made to the owner, nor is any suit now pending on behalf of any contractor, subcontractor, sub-subcontractor, supplier, laborer or material-men, and no chattel mortgages or conditional bills of sale have been given or are now outstanding as to the subject utility system(s) or portion(s) thereof placed upon or installed in or on the aforesaid premises.

7. As and on behalf of the owner of the subject utility system(s) or portion(s) thereof, does for valuable consideration hereby agree and guarantee, to the extent permitted by Florida law and without waiving any protections of sovereign immunity afforded by Florida law, to hold the Board of County Commissioners of Collier County, Florida, as the governing body of Collier County and as the Ex-Officio Governing Board of the Collier County Water-Sewer District harmless against any lien, claim or suit by any general contractor, subcontractor, sub-subcontractor, supplier, mechanic, materialman, or laborer, and against

chattel mortgages, security interests or repair of the subject potable water and wastewater utility system(s) or portion(s) thereof by or on behalf of owner. Affiant is used as singular or plural, as the context requires.

8. The potable water and wastewater utility system(s) or portion(s) thereof referred to herein are located within the real property described in the attached Exhibit "A".

FURTHER AFFIANT SAYETH NAUGHT.

DATED this ____ day of _____, 2019.

Andrew Miller, as Chairman of Flow Way
Community Development District

SUBSCRIBED AND SWORN to before me this ____ day of _____, 2019, by Andrew Miller, as Chairman of Flow Way Community Development District, who is personally known to me as _____ OR who produced identification. Type of identification produced: _____.

Notary Public
My Commission Expires: _____

Printed, Typed or Stamped Name of Notary

Exhibit "A"
Legal Description

Tract "R1 & R2" of Esplanade Golf and Country Club of Naples Phase 5 Parcels "T", "J", "K1", "K2", K3" and "K4". According to the Plat thereof as recorded in Plat Book 66, Pages 3 Through 15, of the Public Records of Collier County, Florida.

Drafted by and return to:

Gregory L. Urbancic, Esq.
Coleman, Yovanovich & Koester, P.A.
4001 Tamiami Trail North, Suite 300
Naples, Florida 34103

ATTORNEY'S AFFIDAVIT
(Flow Way CDD to Collier County)
(Phase 5, Parcel 'T')

STATE OF FLORIDA

COUNTY OF COLLIER

BEFORE ME, the undersigned authority, on this ___ day of _____, 2019, personally appeared Gregory L. Urbancic, Esq., who is to me well known, and having been sworn upon oath, deposes and states:

1. My name is Gregory L. Urbancic, Esq., I am over the age of twenty-one (21) years, am otherwise *sui juris*, and have personal knowledge of the facts asserted herein.

2. I am a licensed attorney, Florida Bar #151068, authorized to practice law in Florida and am currently practicing law in the State of Florida. My business address is Coleman, Yovanovich & Koester, P.A., 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103. My business telephone number is 239-435-3535.

3. This Affidavit is given as an inducement to the Board of County Commissioners of Collier County, Florida, as the governing body of Collier County and as the Ex-Officio Governing Board of the Collier County Water-Sewer District to accept the dedication or conveyance of all potable water and wastewater utility system(s) or portion(s) thereof located within or upon the real property described in the attached Exhibit "A", which is incorporated herein by reference, said land being located in Collier County, Florida.

4. The Affiant has examined record title information to the underlying real property and the utility facilities being conveyed to the County referenced in this affidavit, including but not limited to, information requested from the Florida Secretary of State relative to any Uniform Commercial Code financing statements.

5. The record owner of the underlying real property described herein as Exhibit "A", is Taylor Morrison Esplanade Naples, LLC, a Florida limited liability company (hereinafter "Owner"). Further, according to (i) an Owner's Affidavit signed and delivered by owner in connection with the subject conveyance, and (ii) that certain Utility Facilities Warranty Deed and Bill of Sale issued in its favor from Owner, Flow Way Community Development District, a community development district established and existing pursuant to Chapter 190, Florida Statutes (the "District"), owns the utility facilities lying within the underlying real property owned by Owner. Owner acquired record title to the subject real property by Special Warranty Deed recorded February 7, 2013, at Official Records Book 4883, Page 3965, of the Public Records, Collier County, Florida. Affiant has examined corporate information obtained from the Florida Department of State, Divisions of Corporations and based on said corporate information Owner is current, active and authorized to do business within the State of Florida. Based upon my review of the records of the District, the District is a community development district established pursuant to Chapter 190, Florida Statutes, and Andrew Miller, Chairman of the District, is authorized to execute these instruments on behalf of the District in conjunction with the conveyance of the subject utility systems.

6. Title to the utility system(s) or portion(s) thereof and/or easement(s) being conveyed to the County is subject to the following security interests by the following instruments of record:

NONE

7. Affiant further states that the information contained in this Affidavit is true, correct and current as of the date this Affidavit is given.

[SIGNATURES COMMENCE OF FOLLOWING PAGE]

FURTHER AFFIANT SAYETH NAUGHT.

DATED this ____ day of _____, 2019.

Gregory L. Urbancic

STATE OF FLORIDA
COUNTY OF COLLIER

SUBSCRIBED AND SWORN to before me this ____ day of _____, 2019, by Gregory L. Urbancic, who [] is personally known to me or [] has produced _____ as identification.

Notary Public
My commission expires:
Printed Name:

Exhibit "A"
Legal Description

Tract "R1 & R2" of Esplanade Golf and Country Club of Naples Phase 5 Parcels "T", "J", "K1", "K2", K3" and "K4". According to the Plat thereof as recorded in Plat Book 66, Pages 3 Through 15, of the Public Records of Collier County, Florida.

Exhibit "B"

RESOLUTION NO. 2019-17

A RESOLUTION OF THE BOARD OF SUPERVISORS OF FLOW WAY COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE ACQUISITION OF CERTAIN POTABLE WATER AND WASTEWATER UTILITY FACILITIES FOR PARCEL K3 AND K4 FROM THE DEVELOPER, TAYLOR MORRISON ESPLANADE NAPLES, LLC AND AUTHORIZING THE CONVEYANCE OF SUCH POTABLE WATER AND WASTEWATER UTILITY FACILITIES TO COLLIER COUNTY; AUTHORIZING THE CHAIRMAN OR THE VICE CHAIRMAN (IN THE CHAIRMAN'S ABSENCE) TO EXECUTE SUCH CONVEYANCE DOCUMENTS TO THE EXTENT NECESSARY TO EVIDENCE THE DISTRICT'S ACCEPTANCE AND CONVEYANCE; PROVIDING FOR SEVERABILITY, PROVIDING FOR CONFLICTS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Flow Way Community Development District (the "District") is a local unit of special purpose government created and existing pursuant to Chapter 190, Florida Statutes, and situated within Collier County, Florida; and

WHEREAS, the District is organized for the purposes of providing community development services and facilities benefiting the development known as Esplanade Golf and Country Club of Naples; and

WHEREAS, Chapter 190, Florida Statutes, authorizes the District to construct, install, operate, finance and/or maintain systems and facilities for certain basic infrastructure including, but not limited to, district roads, sanitary sewer collection system, potable water distribution system, stormwater/floodplain management, off-site improvements, landscape and hardscape, irrigation system, street lighting, conservation areas, mitigation areas, and wildlife habitat, and other public improvements; and

WHEREAS, the applicable Collier County development orders, approvals, codes, ordinances and regulations generally require or contemplate the conveyance of various on-site potable water and wastewater utility systems being constructed or acquired by the District to Collier County; and

WHEREAS, the acquisition by the District of potable water and wastewater utility systems and thereafter the conveyance of such potable water and sanitary sewer systems to Collier County requires the Chairman or Vice Chairman (in the Chairman's absence) to sign or execute certain documents on behalf of the District; and

WHEREAS, the District desires to acquire certain potable water and wastewater utility facilities related to Phase 5, Parcel K3 and K4 ("Utility Facilities") from Taylor Morrison Esplanade Naples, LLC, a Florida limited liability company ("Taylor Morrison") and thereafter convey such Utility Facilities to Collier County.

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

SECTION 1. FINDINGS. The above recitals are true and correct and incorporated herein by this reference.

SECTION 2. ACQUISITION OF UTILITY FACILITIES AND CONVEYANCE TO COLLIER COUNTY. The District hereby desires to acquire the Utility Facilities from Taylor Morrison pursuant to the utility conveyance documents attached hereto and made a part hereof as **Exhibit "A"** ("Acquisition Documents"). Following such acquisition, the District hereby desires to convey the Utility Facilities to Collier County pursuant to the utility conveyance documents attached hereto and made a part hereof as **Exhibit "B"** ("Conveyance Documents").

SECTION 3. DELEGATION OF AUTHORITY. The Chairman or the Vice Chairman (in the Chairman's absence) of the District's Board of Supervisors is hereby authorized to execute the Acquisition Documents as necessary to evidence the District's acquisition of the Utility Facilities. The Chairman or the Vice Chairman (in the Chairman's absence) of the District's Board of Supervisors is hereby authorized to execute the Conveyance Documents as necessary to convey the Utility Facilities to Collier County. The Secretary and any Assistant Secretary of the District is hereby authorized to countersign any Acquisition Documents or Conveyance Documents signed by the Chairman or Vice Chairman (in the Chairman's absence), if necessary or required.

SECTION 4. 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 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 5. CONFLICTS. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, superseded and repealed.

SECTION 6. EFFECTIVE DATE. This Resolution shall be effective immediately upon its adoption.

{Remainder of the page intentionally left blank. Signatures begin on the next page.}

PASSED AND ADOPTED at a meeting of the Board of Supervisors of Flow Way Community Development District this 20th day of June, 2019.

Attest:

**FLOW WAY COMMUNITY
DEVELOPMENT DISTRICT**

James P. Ward, Secretary

Andrew Miller, Chairman

Exhibit "A"

Exhibit "A"

Drafted by and return to:

Gregory L. Urbancic, Esq.
Coleman, Yovanovich & Koester, P.A.
4001 Tamiami Trail North, Suite 300
Naples, Florida 34103

UTILITY FACILITIES WARRANTY DEED AND BILL OF SALE
(Taylor Morrison Esplanade Naples, LLC to Flow Way CDD)
(Phase 5, Parcels "K3" and "K4")

THIS INDENTURE made as of this ___ day of _____, 2019, between **TAYLOR MORRISON ESPLANADE NAPLES, LLC**, a Florida limited liability company (hereinafter referred to as "Grantor"), and **FLOW WAY COMMUNITY DEVELOPMENT DISTRICT**, a community development district established and existing pursuant to Chapter 190, Florida Statutes (hereinafter referred to as "Grantee").

W I T N E S S E T H:

That said Grantor, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to said Grantor in hand paid by said Grantee, the receipt whereof is hereby acknowledged, has granted, bargained and sold to the said Grantee, and Grantee's heirs, successors and assigns forever, all potable water and wastewater utility facilities and/or system(s) or portion(s) thereof lying in, on, over and under the following described land, for operation, relocation, installation, repair and/or maintenance of said facilities, system(s) or portion(s) thereof, all situate and lying and being in Collier County, Florida, to wit:

(See Exhibit "A" attached hereto and incorporated by reference herein.)

(Exhibit "B" attached hereto is a sketch or other graphic representation which depicts the physical location of the utility systems being conveyed.)

and said Grantor does hereby fully warrant the title to said utility facilities and/or system(s) or portion(s) thereof, be they realty, personalty, or mixed, and Grantor will defend such title against all claims of all persons whomsoever. For the purposes of this conveyance, the utility facilities, system(s) and/or portion(s) thereof conveyed herein shall not be deemed to convey any of the lands described in either exhibit. Grantor and Grantee are used for singular or plural, as context allows. A sketch or other graphic representation showing the location of the utility facilities, etc., being conveyed is attached as Exhibit B.

TO HAVE AND TO HOLD the same unto Grantee and its assigns, together with the right to enter upon said land, excavate, relocate and/or take or introduce materials for the purpose of constructing, relocating, operating, repairing and/or otherwise maintaining utility systems thereon. Grantor and Grantee are used for singular or plural, as the context requires.

IN WITNESS WHEREOF, Grantor has caused these presents to be executed the date and year first above written.

TAYLOR MORRISON ESPLANADE NAPLES, LLC,
a Florida limited liability company

Witnesses:

By: TAYLOR MORRISON OF FLORIDA, INC.,
a Florida corporation, its Manager and Majority
Member

Signature
Printed Name: _____

By: _____
Andrew Miller, Authorized Agent

Signature
Printed Name: _____

STATE OF FLORIDA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me, this _____ of _____, 2019, by Andrew Miller, as Authorized Agent of Taylor Morrison of Florida, Inc., a Florida corporation, Manager and Majority Member of Taylor Morrison Esplanade Naples, LLC, a Florida limited liability company, on behalf of the companies, who is () personally known to me or () has produced _____ as evidence of identification.

(SEAL)

NOTARY PUBLIC
Name: _____
(Type or Print)
My Commission Expires:

Exhibit "A"
Legal Description

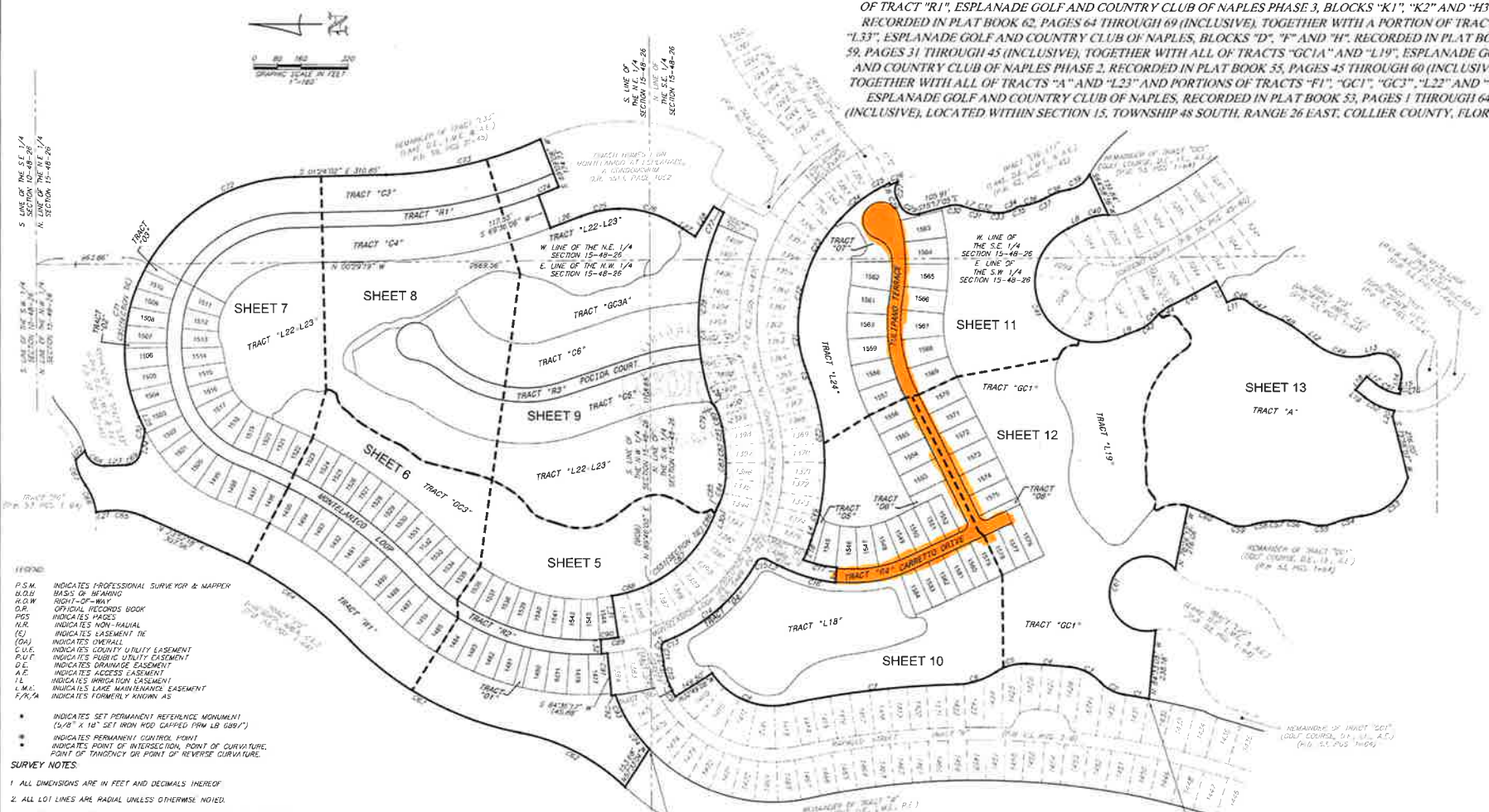
Tract "R4" of Esplanade Golf and Country Club of Naples Phase 5 Parcels "I", "J", "K1", "K2", K3" and "K4". According to the Plat thereof as recorded in Plat Book 66, Pages 3 Through 15, of the Public Records of Collier County, Florida.

Esplanade Golf and Country Club of Naples Phase 5 Parcels "I", "J", "K1", "K2", "K3" and "K4"

PLAT BOOK 60 PAGE 4

SHEET 2 OF 13
SEE SHEET 4 OF 13
FOR LINE AND CURVE TABLES

A REPLAT OF ALL OF TRACT "O1", ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 4, PARCEL "L", RECORDED IN PLAT BOOK 63, PAGES 3 THROUGH 6 (INCLUSIVE), TOGETHER WITH ALL OF TRACTS "O2", "O3", "PUE1", "PUE2", "PUE3", "PUE6", "PUE7", "PUE8", "PUE9", LOTS 1376 THROUGH 1383 (INCLUSIVE) AND A PORTION OF TRACT "R1", ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 3, BLOCKS "K1", "K2" AND "K3", RECORDED IN PLAT BOOK 62, PAGES 64 THROUGH 69 (INCLUSIVE), TOGETHER WITH A PORTION OF TRACT "L33", ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES, BLOCKS "D", "F" AND "H", RECORDED IN PLAT BOOK 59, PAGES 31 THROUGH 45 (INCLUSIVE), TOGETHER WITH ALL OF TRACTS "GC1A" AND "L19", ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES PHASE 2, RECORDED IN PLAT BOOK 55, PAGES 45 THROUGH 60 (INCLUSIVE), TOGETHER WITH ALL OF TRACTS "A" AND "L23" AND PORTIONS OF TRACTS "F1", "GC1", "GC3", "L22" AND "W", ESPLANADE GOLF AND COUNTRY CLUB OF NAPLES, RECORDED IN PLAT BOOK 53, PAGES 1 THROUGH 64 (INCLUSIVE), LOCATED WITHIN SECTION 15, TOWNSHIP 48 SOUTH, RANGE 26 EAST, COLLIER COUNTY, FLORIDA



- P.S.M. INDICATES PROFESSIONAL SURVEYOR & MAPPER
- B.O.B. BASIS OF BEARING
- R.O.T. RIGHT-OF-WAY
- O.R. OFFICIAL RECORDS BOOK
- P.S. INDICATES PAGES
- N.R. INDICATES NON-RADIAL
- (O) INDICATES OVERALL
- C.U.E. INDICATES COUNTY UTILITY EASEMENT
- P.U.E. INDICATES PUBLIC UTILITY EASEMENT
- D.E. INDICATES DRAINAGE EASEMENT
- A.E. INDICATES ACCESS EASEMENT
- I.L. INDICATES IRRIGATION EASEMENT
- L.M.E. INDICATES LAKE MAINTENANCE EASEMENT
- F.R.C.A. INDICATES FORMERLY KNOWN AS

- INDICATES SET PERMANENT REFERENCE MONUMENT (5/8" X 1/2" SET IRON ROD CAPPED FROM LB 6897)
- INDICATES PERMANENT CONTROL POINT
- INDICATES POINT OF INTERSECTION, POINT OF CURVATURE, POINT OF TANGENCY OR POINT OF REVERSE CURVATURE

SURVEY NOTES:

1. ALL DIMENSIONS ARE IN FEET AND DECIMALS THEREOF
2. ALL LOT LINES ARE RADIAL UNLESS OTHERWISE NOTED
3. UNLESS OTHERWISE NOTED ALL CURVES ARE TANGENTIAL AND CIRCULAR

4. BEGINNINGS ARE BASED ON THE SOUTH LINE OF THE NORTHWEST 1/4 OF SECTION 15, TOWNSHIP 48 SOUTH, RANGE 26 EAST, COLLIER COUNTY, FLORIDA AS BEING NORTH 89°40'00" EAST AND RELATE TO THE FLORIDA STATE PLANE COORDINATE SYSTEM FOR FLORIDA ZONE EAST, NORTH AMERICAN DATUM OF 1983, 1990 ADJUSTMENT (NAD83/90).

5. RESERVATIONS, RESTRICTIONS, EASEMENTS AND COVENANTS OF RECORD RECORDED IN OFFICIAL RECORD BOOK 6030 PAGE 1243 ET. SEQ., AS AMENDED, OF THE PUBLIC RECORDS OF COLLIER COUNTY, FLORIDA.

POINT OF BEGINNING
PHASE 5 NORTH
SOUTHWEST MOST CORNER
LOT 1425
ESPLANADE GOLF AND COUNTRY CLUB
OF NAPLES PHASE 4
PARCEL "L"
(P.B. 63, PGS. 3-6)

POINT OF BEGINNING
PHASE 5 SOUTH
SOUTHEAST MOST CORNER
LOT 1431
ESPLANADE GOLF AND COUNTRY CLUB
OF NAPLES PHASE 4
PARCEL "L"
(P.B. 63, PGS. 3-6)

THIS INSTRUMENT PREPARED BY
JOHN SCOTT RICHES P.S.M. #2730
**RHODES & RHODES
LAND SURVEYING, INC.**
28150 UGNITA GRAND DRIVE, SUITE #107
RONITA SPRINGS, FL 34451
(239) 405-8166 FAX 110 (754) 405-8164
FLORIDA BUSINESS LICENSE NO. LB 6897

DEED OF UTILITY EASEMENT
(Taylor Morrison Esplanade Naples, LLC to Flow Way CDD)
(Phase 5, Parcels “K3” and “K4”)

THIS UTILITY EASEMENT (UE), is granted and conveyed as of this ____ day of _____, 2019, by **TAYLOR MORRISON ESPLANADE NAPLES, LLC**, a Florida limited liability company, as Grantor, to **BOARD OF COUNTY COMMISSIONERS OF COLLIER COUNTY, FLORIDA, AS THE GOVERNING BODY OF COLLIER COUNTY, AND AS THE EX-OFFICIO GOVERNING BOARD OF THE COLLIER COUNTY WATER-SEWER DISTRICT**, its successors and/or assigns, and **FLOW WAY COMMUNITY DEVELOPMENT DISTRICT**, a community development district established and existing pursuant to Chapter 190, Florida Statutes, as Grantee.

WITNESSETH: That Grantor for and in consideration of the sum of ten dollars (\$10.00) and other valuable consideration paid by Grantee, receipt of which by is hereby acknowledged by Grantor, hereby conveys, grants, bargains and sells unto Grantee, its successors and assigns, a perpetual, non-exclusive easement, license, right and privilege to enter upon and to install, relocate, repair and/or otherwise maintain utility system(s) and utility facilities, and/or portion(s) thereof, in, on, over and under the lands located in Collier County, Florida, described on **Exhibit “A”** attached hereto and made a part hereof.

TO HAVE AND TO HOLD the same unto Grantee, its successors and/or assigns, together with the right and privilege to enter upon said land to excavate, relocate and/or take and/or introduce materials for the purpose of constructing, operating, relocating, repairing and/or otherwise maintaining the subject utility facilities and/or system(s) or portion(s) thereof, in, on, over and/or under the easement area. Grantor and Grantee are used for singular or plural, as the context allows.

Signatures appear on the following page.

IN WITNESS WHEREOF, Grantor has caused these presents to be executed the date and year first above written.

TAYLOR MORRISON ESPLANADE NAPLES, LLC,
a Florida limited liability company

Witnesses:

By: TAYLOR MORRISON OF FLORIDA, INC.,
a Florida corporation, its Manager and Majority
Member

Signature
Printed Name: _____

By: _____
Andrew Miller, Authorized Agent

Signature
Printed Name: _____

STATE OF FLORIDA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me, this _____ of _____, 2019, by Andrew Miller, as Authorized Agent of Taylor Morrison of Florida, Inc., a Florida corporation, Manager and Majority Member of Taylor Morrison Esplanade Naples, LLC, a Florida limited liability company, on behalf of the companies, who is () personally known to me or () has produced _____ as evidence of identification.

(SEAL)

NOTARY PUBLIC
Name: _____
(Type or Print)
My Commission Expires:

Exhibit "A"
Legal Description

Tract "R4" of Esplanade Golf and Country Club of Naples Phase 5 Parcels "I", "J", "K1", "K2", K3" and "K4". According to the Plat thereof as recorded in Plat Book 66, Pages 3 Through 15, of the Public Records of Collier County, Florida.

OWNER'S AFFIDAVIT
(Taylor Morrison Esplanade Naples, LLC to Flow Way CDD)
(Phase 5, Parcels "K3" and "K4")

STATE OF FLORIDA

COUNTY OF _____

BEFORE ME, the undersigned authority, personally appeared Andrew Miller, who to me is well known, and having been duly sworn and under oath, deposes and states:

1. My name is Andrew Miller. I am over the age of twenty-one (21) years, am Sui Juris, and have personal knowledge of the facts asserted herein.

2. I am the Authorized Agent of **TAYLOR MORRISON OF FLORIDA, INC.**, a Florida corporation, the manager and majority member of **TAYLOR MORRISON ESPLANADE NAPLES, LLC**, a Florida limited liability company, the owner of that certain real property located within Collier County, Florida, and described on **Exhibit "A"**.

3. All persons, firms, and corporations, including the general contractor, all laborers, subcontractors and sub-subcontractors, material men and suppliers who have furnished services, labor or materials according to plans and specifications, or extra items, used in the construction, installation and/or repair of potable water and wastewater utility system(s) or portion(s) thereof on the real estate hereinafter described, have been paid in full and that such work has been fully completed and unconditionally accepted by the current owner of such facilities.

4. No claims have been made to the owner, nor is any suit now pending on behalf of any contractor, subcontractor, sub-subcontractor, supplier, laborer or material-men, and no chattel mortgages or conditional bills of sale have been given or are now outstanding as to the subject utility system(s) or portion(s) thereof placed upon or installed in or on the aforesaid premises.

5. Title to the subject utility system(s) or portion(s) thereof and/or easement(s), if any, being conveyed to the County is not encumbered by any recorded mortgage, recorded assignment of rents or profits, by any recorded Uniform Commercial Code Financing Statement, or by any other recorded document that imposes a security interest that could negatively affect conveyance of marketable title to the utility system(s) or portion(s) thereof and/or any easement being conveyed to the County.

6. As and on behalf of the owner of the subject utility system(s) or portion(s) thereof, does for valuable consideration hereby agree and guarantee, to hold Flow Way Community Development District, a community development district established and existing pursuant to Chapter 190, Florida Statutes, harmless against any lien, claim or suit by any general contractor, subcontractor, sub-subcontractor, supplier, mechanic, material-man, or laborer, and against chattel mortgages, security interests or repair of the subject potable water and wastewater utility system(s) or portion(s) thereof by or on behalf of Owner. Affiant is used as singular or plural, as the context requires.

7. The potable water and wastewater utility system(s) or portion(s) thereof referred to herein are located within the real property described in the attached **Exhibit "A"**.

FURTHER AFFIANT SAYETH NAUGHT.

DATED this ____ day of _____, 2019.

Andrew Miller, Authorized Agent

SUBSCRIBED AND SWORN to before me this ____ day of _____, 2019, by Andrew Miller, who is () personally known to me or () has produced _____ as evidence of identification

(SEAL)

NOTARY PUBLIC

Name: _____

(Type or Print)

My Commission Expires:

Exhibit "A"
Legal Description

Tract "R4" of Esplanade Golf and Country Club of Naples Phase 5 Parcels "I", "J", "K1", "K2", K3" and "K4". According to the Plat thereof as recorded in Plat Book 66, Pages 3 Through 15, of the Public Records of Collier County, Florida.

PROMISSORY NOTE
(Phase 5, Parcels “K3” and “K4”)

\$297,633.08

Collier County, Florida

Date: June __, 2019

FOR VALUE RECEIVED, **FLOW WAY NAPLES COMMUNITY DEVELOPMENT DISTRICT**, a community development district established pursuant to Chapter 190, Florida Statutes (“**MAKER**”), promises to pay to the order of **TAYLOR MORRISON ESPLANADE NAPLES, LLC**, a Florida limited liability company (“**HOLDER**”) at 551 N. Cattlemen Rd., Suite 200, Sarasota, FL 34232 or at such place as HOLDER may from time to time designate in writing, the principal sum of: Two Hundred Ninety-Seven Thousand Six Hundred Thirty-Three and 08/100 DOLLARS (\$297,633.08) (the “**Principal Sum**”) in accordance with the terms and condition of this Promissory Note (this “**Note**”).

The Principal Sum of this Note shall not bear interest.

Payments under this Note shall be due and payable as follows:

This Note is made and shall be subject the terms and conditions of that certain Agreement Regarding the Acquisition of Certain Work Product, Infrastructure and Real Property by and between MAKER and HOLDER dated June __, 2019 (the “**Acquisition Agreement**”). Further, this Note is issued pursuant to Section 6 of the Acquisition Agreement and in conjunction with the transfer and conveyance of the Phase 5, Parcels “K3” and “K4” Potable Water and Wastewater Facilities (the “**Improvements**”) to the District contemporaneously with this Note. Provided that (i) MAKER issues Special Assessment Bonds for Flow Way Community Development District (the “**District**”) payable solely from special assessments properly levied on real property in the District benefitted by the Improvements (“**Bonds**”), there are sufficient construction funds from said Bonds to pay for the Improvements, and the conditions under the applicable trust indenture have been met for disbursement of applicable construction funds; (ii) the requirements of Section 6 of the Acquisition Agreement have been met; and (iii) HOLDER submits to MAKER a Requisition for payment of the Principal Sum representing the cost of Improvements, then MAKER shall within forty-five (45) days thereafter, pay the entire balance of the Principal Sum due under this Note. Notwithstanding the forgoing provision, in the event MAKER does not issue any applicable Bonds on or before five (5) years after the date of the Acquisition Agreement, then this Note shall be forgiven by HOLDER and cancelled and of no further force or effect.

This Note is a limited obligation of the District. The District is under no obligation to issue such Bonds at any time, and the Owner shall have no right to compel the District to issue such Bonds or to pay such principal from any other source of funds.

This Note can be prepaid at any time in whole or in part to HOLDER without penalty. All payments and prepayments shall be applied to the Principal Sum.

Prepayment shall not affect or vary the duty of MAKER to pay any obligation when due and the same shall not affect or impair the right of HOLDER to pursue all remedies available to it hereunder.

Notwithstanding anything contained herein to the contrary, HOLDER may not exercise any right or remedy provided for in this Note because of any default of MAKER, unless HOLDER shall have given written notice of the default to MAKER and MAKER shall have failed to pay the sum or sums due within a period of thirty (30) days after the date of such written notice. Failure of MAKER to cure a default within such cure period shall hereinafter be described as an “**Event of Default**”. Upon an Event of Default, the Principal Sum remaining unpaid, shall become immediately due and payable.

All communication required under or in connection with this Note shall be in writing, and shall be hand delivered, sent by commercial overnight courier, or sent by certified mail, postage prepaid, addressed to MAKER or HOLDER at the address either party may designate from time to time by written notice to the other party in the manner set forth herein.

Time is of the essence and in the event it is necessary to initiate collection of this Note or it is collected by law or through an attorney, or under advice therefrom, MAKER agrees to pay all costs of the collection and reasonable attorneys’ fees (including those attorneys’ fees that may be caused by appellate proceedings) that may be incurred in all matters of collections, enforcement, construction and interpretation hereunder.

The remedies of HOLDER, as provided herein, shall be cumulative and concurrent, and may be pursued singularly, successively or together, at the sole discretion of HOLDER, and may be exercised as often as occasion therefore arise. No act of omission or commission of HOLDER, including specifically any failure to exercise any right, remedy or recourse, shall be deemed to be a waiver or release of same, such waiver or release to be effected only through a written document, executed by HOLDER and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as continuing, as a bar to, or as a waiver or release of any subsequent event.

This Note is issued under and pursuant to the Constitution and laws of the State of Florida, particularly Chapter 190, Florida Statutes and other applicable provisions of law. This Note is issued with the intent that the laws of the State of Florida shall govern its construction.

THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE A GENERAL DEBT OR A PLEDGE OF THE FAITH AND CREDIT OF THE DISTRICT, OR A DEBT OR PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL, LEGISLATIVE OR CHARTER PROVISION OR LIMITATION, AND IT IS EXPRESSLY AGREED BY HOLDER THAT SUCH HOLDER SHALL NEVER HAVE THE RIGHT, DIRECTLY OR INDIRECTLY, TO REQUIRE OR COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE DISTRICT OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE OF FLORIDA OR TAXATION IN ANY FORM ON ANY REAL OR PERSONAL PROPERTY FOR THE PAYMENT OF THE PRINCIPAL ON THIS NOTE.

(Remainder of Page Intentionally Left Blank. Signature Appears on the Next Page.)

IN WITNESS WHEREOF, MAKER has caused this Promissory Note to be duly executed as of the day and year first above written.

MAKER:

**FLOW WAY COMMUNITY
DEVELOPMENT DISTRICT**

ATTEST:

James P. Ward, Secretary

By: _____
Andrew Miller, Chairman

Exhibit "B"

Drafted by and return to:

Gregory L. Urbancic, Esq.
Coleman, Yovanovich & Koester, P.A.
4001 Tamiami Trail North, Suite 300
Naples, Florida 34103

UTILITY FACILITIES WARRANTY DEED AND BILL OF SALE

(Flow Way CDD to Collier County)

(Phase 5, Parcels "K3" and "K4")

THIS INDENTURE made this ____ day of _____, 2019, between **FLOW WAY COMMUNITY DEVELOPMENT DISTRICT**, a community development district established and existing pursuant to Chapter 190, Florida Statutes (hereinafter referred to as "Grantor"), and **BOARD OF COUNTY COMMISSIONERS OF COLLIER COUNTY, FLORIDA, AS THE GOVERNING BODY OF COLLIER COUNTY, AND AS THE EX-OFFICIO GOVERNING BOARD OF THE COLLIER COUNTY WATER-SEWER DISTRICT**, its successors and/or assigns (hereinafter referred to as "Grantee").

W I T N E S S E T H:

That said Grantor, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to said Grantor in hand paid by said Grantee, the receipt whereof is hereby acknowledged, has granted, bargained and sold to the said Grantee, and Grantee's heirs, successors and assigns forever, all potable water and wastewater utility facilities and/or system(s) or portion(s) thereof lying in, on, over and under the following described land, for operation, relocation, installation, repair and/or maintenance of said facilities, system(s) or portion(s) thereof, all situate and lying and being in Collier County, Florida, to wit:

(See Exhibit "A" attached hereto and incorporated by reference herein.)

(Exhibit "B" attached hereto is a sketch or other graphic representation which depicts the physical location of the utility systems being conveyed.)

and said Grantor does hereby fully warrant the title to said utility facilities and/or system(s) or portion(s) thereof, be they realty, personalty, or mixed, and Grantor will defend such title against all claims of all persons whomsoever. For the purposes of this conveyance, the utility facilities, system(s) and/or portion(s) thereof conveyed herein shall not be deemed to convey any of the lands described in either exhibit. Grantor and Grantee are used for singular or plural, as context allows. A sketch or other graphic representation showing the location of the utility facilities, etc., being conveyed is attached as Exhibit B.

TO HAVE AND TO HOLD the same unto Grantee and its assigns, together with the right to enter upon said land, excavate, relocate and/or take or introduce materials for the purpose of constructing, relocating, operating, repairing and/or otherwise maintaining utility systems thereon. Grantor and Grantee are used for singular or plural, as the context requires.

IN WITNESS WHEREOF, Grantor has caused these presents to be executed the date and year first above written.

FLOW WAY COMMUNITY DEVELOPMENT DISTRICT, a community development district established and existing pursuant to Chapter 190, Florida Statutes

Witnesses:

Signature
Printed Name: _____

By: _____
Andrew Miller, Chairman

Signature
Printed Name: _____

STATE OF FLORIDA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me, this ____ of _____ 2019, by Andrew Miller, as Chairman of Flow Way Community Development District, a community development district established and existing pursuant to Chapter 190, Florida Statutes, on behalf of the district, who is () personally known to me or () has produced _____ as evidence of identification.

(SEAL)

NOTARY PUBLIC
Name: _____
(Type or Print)
My Commission Expires:

Exhibit "A"
Legal Description

Tract "R4" of Esplanade Golf and Country Club of Naples Phase 5 Parcels "I", "J", "K1", "K2", "K3" and "K4". According to the Plat thereof as recorded in Plat Book 66, Pages 3 Through 15, of the Public Records of Collier County, Florida.

OWNER'S AFFIDAVIT
(Flow Way CDD to Collier County)
(Phase 5, Parcels "K3" and "K4")

STATE OF FLORIDA

COUNTY OF COLLIER

BEFORE ME, the undersigned authority, personally appeared Andrew Miller, who to me is well known, and having been duly sworn and under oath, deposes and states:

1. My name is Andrew Miller. I am over the age of twenty-one (21) years, am Sui Juris, and have personal knowledge of the facts asserted herein.

2. I am the Chairman of **FLOW WAY COMMUNITY DEVELOPMENT DISTRICT**, a community development district established and existing pursuant to Chapter 190, Florida Statutes, the owner of the subject utility system(s) that are located within that certain real property in Collier County, Florida, and described on Exhibit "A". Such real property is owned by Taylor Morrison Esplanade Naples, LLC, a Florida limited liability company, and said Exhibit "A" shows the location of the subject utility facilities being conveyed.

3. All persons, firms, and corporations, including the general contractor, all laborers, subcontractors and sub-subcontractors, material men and suppliers who have furnished services, labor or materials according to plans and specifications, or extra items, used in the construction, installation and/or repair of potable water and wastewater utility system(s) or portion(s) thereof on the real estate hereinafter described, have been paid in full and that such work has been fully completed and unconditionally accepted by the current owner of such facilities.

4. Title to the subject utility system(s) or portions(s) thereof and/or easement(s), if any, being conveyed to the County is not encumbered by any recorded mortgage, recorded assignment of rents or profits, by any recorded UCC Financing Statement, or any other recorded document that imposes a security interest that could negatively affect conveyance of marketable title to the County.

5. Title to the subject utility system(s) or portion(s) thereof and/or easement(s), if any, being conveyed to the County is not encumbered by any recorded mortgage, recorded assignment of rents or profits, by any recorded Uniform Commercial Code Financing Statement, or by any other recorded document that imposes a security interest that could negatively affect conveyance of marketable title to the utility system(s) or portion(s) thereof and/or any easement being conveyed to the County.

6. No claims have been made to the owner, nor is any suit now pending on behalf of any contractor, subcontractor, sub-subcontractor, supplier, laborer or material-men, and no chattel mortgages or conditional bills of sale have been given or are now outstanding as to the subject utility system(s) or portion(s) thereof placed upon or installed in or on the aforesaid premises.

7. As and on behalf of the owner of the subject utility system(s) or portion(s) thereof, does for valuable consideration hereby agree and guarantee, to the extent permitted by Florida law and without waiving any protections of sovereign immunity afforded by Florida law, to hold the Board of County Commissioners of Collier County, Florida, as the governing body of Collier County and as the Ex-Officio Governing Board of the Collier County Water-Sewer District harmless against any lien, claim or suit by any general contractor, subcontractor, sub-subcontractor, supplier, mechanic, materialman, or laborer, and against

chattel mortgages, security interests or repair of the subject potable water and wastewater utility system(s) or portion(s) thereof by or on behalf of owner. Affiant is used as singular or plural, as the context requires.

8. The potable water and wastewater utility system(s) or portion(s) thereof referred to herein are located within the real property described in the attached Exhibit "A".

FURTHER AFFIANT SAYETH NAUGHT.

DATED this ____ day of _____, 2019.

Andrew Miller, as Chairman of Flow Way
Community Development District

SUBSCRIBED AND SWORN to before me this ____ day of _____, 2019, by Andrew Miller, as Chairman of Flow Way Community Development District, who is personally known to me as _____ OR who produced identification. Type of identification produced: _____.

Notary Public
My Commission Expires: _____

Printed, Typed or Stamped Name of Notary

Exhibit "A"
Legal Description

Tract "R4" of Esplanade Golf and Country Club of Naples Phase 5 Parcels "I", "J", "K1", "K2", K3" and "K4". According to the Plat thereof as recorded in Plat Book 66, Pages 3 Through 15, of the Public Records of Collier County, Florida.

Drafted by and return to:

Gregory L. Urbancic, Esq.
Coleman, Yovanovich & Koester, P.A.
4001 Tamiami Trail North, Suite 300
Naples, Florida 34103

ATTORNEY'S AFFIDAVIT
(Flow Way CDD to Collier County)
(Phase 5, Parcels "K3" and "K4")

STATE OF FLORIDA

COUNTY OF COLLIER

BEFORE ME, the undersigned authority, on this ___ day of _____, 2019, personally appeared Gregory L. Urbancic, Esq., who is to me well known, and having been sworn upon oath, deposes and states:

1. My name is Gregory L. Urbancic, Esq., I am over the age of twenty-one (21) years, am otherwise *sui juris*, and have personal knowledge of the facts asserted herein.

2. I am a licensed attorney, Florida Bar #151068, authorized to practice law in Florida and am currently practicing law in the State of Florida. My business address is Coleman, Yovanovich & Koester, P.A., 4001 Tamiami Trail North, Suite 300, Naples, Florida 34103. My business telephone number is 239-435-3535.

3. This Affidavit is given as an inducement to the Board of County Commissioners of Collier County, Florida, as the governing body of Collier County and as the Ex-Officio Governing Board of the Collier County Water-Sewer District to accept the dedication or conveyance of all potable water and wastewater utility system(s) or portion(s) thereof located within or upon the real property described in the attached Exhibit "A", which is incorporated herein by reference, said land being located in Collier County, Florida.

4. The Affiant has examined record title information to the underlying real property and the utility facilities being conveyed to the County referenced in this affidavit, including but not limited to, information requested from the Florida Secretary of State relative to any Uniform Commercial Code financing statements.

5. The record owner of the underlying real property described herein as Exhibit "A", is Taylor Morrison Esplanade Naples, LLC, a Florida limited liability company (hereinafter "Owner"). Further, according to (i) an Owner's Affidavit signed and delivered by owner in connection with the subject conveyance, and (ii) that certain Utility Facilities Warranty Deed and Bill of Sale issued in its favor from Owner, Flow Way Community Development District, a community development district established and existing pursuant to Chapter 190, Florida Statutes (the "District"), owns the utility facilities lying within the underlying real property owned by Owner. Owner acquired record title to the subject real property by Special Warranty Deed recorded February 7, 2013, at Official Records Book 4883, Page 3965, of the Public Records, Collier County, Florida. Affiant has examined corporate information obtained from the Florida Department of State, Divisions of Corporations and based on said corporate information Owner is current, active and authorized to do business within the State of Florida. Based upon my review of the records of the District, the District is a community development district established pursuant to Chapter 190, Florida Statutes, and Andrew Miller, Chairman of the District, is authorized to execute these instruments on behalf of the District in conjunction with the conveyance of the subject utility systems.

6. Title to the utility system(s) or portion(s) thereof and/or easement(s) being conveyed to the County is subject to the following security interests by the following instruments of record:

NONE

7. Affiant further states that the information contained in this Affidavit is true, correct and current as of the date this Affidavit is given.

[SIGNATURES COMMENCE OF FOLLOWING PAGE]

FURTHER AFFIANT SAYETH NAUGHT.

DATED this ____ day of _____, 2019.

Gregory L. Urbancic

STATE OF FLORIDA
COUNTY OF COLLIER

SUBSCRIBED AND SWORN to before me this ____ day of _____, 2019, by Gregory L. Urbancic, who [] is personally known to me or [] has produced _____ as identification.

Notary Public
My commission expires:
Printed Name:

Exhibit "A"
Legal Description

Tract "R4" of Esplanade Golf and Country Club of Naples Phase 5 Parcels "I", "J", "K1", "K2", K3" and "K4". According to the Plat thereof as recorded in Plat Book 66, Pages 3 Through 15, of the Public Records of Collier County, Florida.

Exhibit "B"

Flow Way Community Development District

Financial Statements

May 31, 2019



Prepared by:

JPWARD AND ASSOCIATES LLC

2900 NE 12th TERRACE

Suite 1

OAKLAND PARK, FLORIDA 33334

Flow Way Community Development District

Table of Contents

	<i>Page</i>
<i>Balance Sheet—All Funds</i>	<i>1-2</i>
<i>Statement of Revenue, Expenditures and Changes in Fund Balance</i>	
<i>General Fund</i>	<i>3-4</i>
<i>Debt Service Fund</i>	
<i>Series 2013 Bonds</i>	<i>5</i>
<i>Series 2015 Bonds (Phase 3)</i>	<i>6</i>
<i>Series 2015 Bonds (Phase 4)</i>	<i>7</i>
<i>Series 2016 Bonds (Phase 5)</i>	<i>8</i>
<i>Series 2017 Bonds (Phase 6)</i>	<i>9</i>
<i>Capital Project Fund</i>	
<i>Series 2015 Bonds (Phase 4)</i>	<i>10</i>
<i>Series 2016 Bonds (Phase 5)</i>	<i>11</i>
<i>Series 2017 Bonds (Phase 6)</i>	<i>12</i>

JPWard & Associates, LLC
2900 NE 12th Terrace
Suite 1
Oakland Park, Florida 33334

**Flowway Community Development District
Balance Sheet
for the Period Ending May 31, 2019**

	Governmental Funds										Account Groups	Totals (Memorandum Only)
	General Fund	Debt Service Funds					Capital Project Fund			General Long Term Debt		
		Series 2013	Series 2015 (Phase 3)	Series 2015 (Phase 4)	Series 2016 (Phase 5)	Series 2017 (Phase 6)	Series 2015 (Phase 4)	Series 2016 (Phase 5)	Series 2017 (Phase 6)			
Assets												
Cash and Investments												
General Fund - Invested Cash	\$ 369,185	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 369,185
Debt Service Fund												
Interest Account	-	-	-	-	-	-	-	-	-	-	-	-
Sinking Account	-	-	-	-	-	-	-	-	-	-	-	-
Reserve Account	-	539,000	246,188	161,930	174,589	118,375	-	-	-	-	-	1,240,081
Revenue	-	392,806	218,889	153,386	244,402	155,478	-	-	-	-	-	1,164,962
Prepayment Account	-	-	0	-	-	-	-	-	-	-	-	0
General Redemption Account	-	-	-	2,467	-	-	-	-	-	-	-	2,467
Construction	-	-	-	-	-	-	-	14,189	9,075	-	-	23,264
Cost of Issuance	-	-	-	-	-	-	-	-	-	-	-	-
Due from Other Funds												
General Fund	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Fund(s)	-	-	-	-	-	-	-	-	-	-	-	-
Capital Projects Fund(s)	-	-	-	-	-	-	-	-	-	-	-	-
Market Valuation Adjustments												
Accrued Interest Receivable												
Assessments Receivable/Deposits												
Amount Available in Debt Service Funds	-	-	-	-	-	-	-	-	-	-	2,407,510	2,407,510
Amount to be Provided by Debt Service Funds	-	-	-	-	-	-	-	-	-	-	20,032,490	20,032,490
Investment in General Fixed Assets (net of depreciation)	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 369,185</u>	<u>\$ 931,806</u>	<u>\$ 465,077</u>	<u>\$ 317,783</u>	<u>\$ 418,991</u>	<u>\$ 273,853</u>	<u>\$ -</u>	<u>\$ 14,189</u>	<u>\$ 9,075</u>	<u>\$ 22,440,000</u>	<u>\$ 25,239,959</u>	

**Flowway Community Development District
Balance Sheet
for the Period Ending May 31, 2019**

	Governmental Funds			Debt Service Funds				Capital Project Fund			Account Groups	Totals
	General Fund	Series 2013	Series 2015 (Phase 3)	Series 2015 (Phase 4)	Series 2016 (Phase 5)	Series 2017 (Phase 6)	Series 2015 (Phase 4)	Series 2016 (Phase 5)	Series 2017 (Phase 6)	General Long Term Debt	(Memorandum Only)	
Liabilities												
Accounts Payable & Payroll Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Funds												
General Fund	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Fund(s)	-	-	-	-	-	-	-	-	-	-	-	-
Capital Projects Fund(s)	-	-	-	-	-	-	-	-	-	-	-	-
Bonds Payable												
Current Portion	-	-	-	-	-	-	-	-	-	390,000	390,000	390,000
Long Term	-	-	-	-	-	-	-	-	-	22,050,000	22,050,000	22,050,000
Unamortized Prem/Disc on Bds Pybl	-	-	-	-	-	-	-	-	176,123	-	176,123	176,123
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 176,123</u>	<u>\$ 22,440,000</u>	<u>\$ 22,616,123</u>	<u>\$ 22,616,123</u>
Fund Equity and Other Credits												
Investment in General Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	-
Fund Balance												
Restricted												
Beginning: October 1, 2018 (Audited)	-	919,789	443,275	307,103	410,092	118,377	2,589	13,814	(167,301)	-	2,047,737	2,047,737
Results from Current Operations	-	12,018	21,802	10,680	8,900	155,476	(2,589)	375	253	-	206,914	206,914
Unassigned												
Beginning: October 1, 2018 (Audited)	50,794	-	-	-	-	-	-	-	-	-	50,794	50,794
Results from Current Operations	318,391	-	-	-	-	-	-	-	-	-	318,391	318,391
Total Fund Equity and Other Credits	<u>\$ 369,185</u>	<u>\$ 931,806</u>	<u>\$ 465,077</u>	<u>\$ 317,783</u>	<u>\$ 418,991</u>	<u>\$ 273,853</u>	<u>\$ -</u>	<u>\$ 14,189</u>	<u>\$ (167,048)</u>	<u>\$ -</u>	<u>\$ 2,623,836</u>	<u>\$ 2,623,836</u>
Total Liabilities, Fund Equity and Other Credits	<u>\$ 369,185</u>	<u>\$ 931,806</u>	<u>\$ 465,077</u>	<u>\$ 317,783</u>	<u>\$ 418,991</u>	<u>\$ 273,853</u>	<u>\$ -</u>	<u>\$ 14,189</u>	<u>\$ 9,075</u>	<u>\$ 22,440,000</u>	<u>\$ 25,239,959</u>	<u>\$ 25,239,959</u>

Flowway Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through May 31, 2019

Description	October	November	December	January	February	March	April	May	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources											
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-		
Interest											
Interest - General Checking	-	-	-	-	-	-	-	-	-	-	N/A
Special Assessment Revenue											
Special Assessments - On-Roll	-	185,151	215,064	38,472	88,602	12,779	6,461	1,797	548,326	541,675	101%
Special Assessments - Off-Roll	-	-	-	-	-	-	-	-	-	-	N/A
Contributions Private Sources											
Intragovernmental Transfer In	-	-	-	-	-	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ -	\$ 185,151	\$ 215,064	\$ 38,472	\$ 88,602	\$ 12,779	\$ 6,461	\$ 1,797	548,326	\$ 541,675	101%
Expenditures and Other Uses											
Legislative											
Board of Supervisor's Fees	-	-	-	-	-	400	-	800	1,200	-	N/A
Executive											
Professional Management	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	26,667	40,000	67%
Financial and Administrative											
Audit Services	-	-	-	-	4,400	-	-	-	4,400	4,400	100%
Accounting Services	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	8,000	16,000	50%
Assessment Roll Services	667	667	667	667	667	667	667	667	5,333	16,000	33%
Arbitrage Rebate Services	500	-	-	100	1,000	-	-	-	1,600	2,000	80%
Other Contractual Services											
Recording and Transcription	-	-	-	-	-	-	-	-	-	-	N/A
Legal Advertising	323	623	-	5,519	256	-	-	2,146	8,866	7,500	118%
Trustee Services	-	-	-	11,486	-	-	-	8,654	20,139.39	21,400	94%
Dissemination Agent Services	667	667	667	6,167	667	667	667	667	10,833	25,000	43%
Property Appraiser Fees	-	-	-	-	-	3,599	-	-	3,599	15,100	24%
Bank Services	20	20	14	-	-	-	-	-	54	300	18%
Travel and Per Diem											
Travel and Per Diem	-	-	-	-	-	-	-	-	-	-	N/A
Communications & Freight Services											
Postage, Freight & Messenger	32	28	-	28	28	19	242	100	477	600	79%
Rentals & Leases											
Meeting Room Rental	-	-	-	-	-	-	-	-	-	-	N/A
Computer Services - Website Development											
Computer Services - Website Development	50	50	50	50	50	50	-	100	400	1,000	40%
Insurance											
Insurance	6,042	-	-	-	-	-	-	-	6,042	6,100	99%

Flowway Community Development District
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Through May 31, 2019

Description	October	November	December	January	February	March	April	May	Year to Date	Total Annual Budget	% of Budget
Printing & Binding	752	95	-	534	334	171	-	511	2,396	750	319%
Office Supplies	-	-	-	-	-	-	-	-	-	-	N/A
Subscription & Memberships	175	-	-	-	-	-	-	-	175	175	100%
Legal Services											
Legal - General Counsel	-	-	-	114	957	1,398	-	3,730	6,198	20,000	31%
Legal - Series 2013 Bonds	-	-	-	-	-	-	-	-	-	-	N/A
Legal - Series 2015(Phase 3)	-	-	-	-	-	-	-	-	-	-	N/A
Legal - Series 2015(Phase 4)	-	-	-	-	-	-	-	-	-	-	N/A
Legal - Series 2016(Phase 5)	-	-	125	-	-	-	-	-	125	-	N/A
Legal - Series 2017(Phase 6)	-	-	263	-	-	-	-	-	263	-	N/A
2019 Requisitions	-	-	-	-	-	-	-	455	455	-	N/A
Other General Government Services											
Engineering Services - General Fund	-	-	-	-	-	-	-	8,754	8,753.75	1,000	875%
Environmental RFP-Engineering	-	-	-	5,775	-	2,863	-	-	8,637.50	1,650	523%
Contingencies	-	-	-	-	-	-	-	-	-	3,000	0%
Capital Outlay	-	-	-	-	-	-	-	-	-	1,000	N/A
Stormwater Management Services											
Environmental Engineering-Mitigation Area	-	-	-	-	-	-	-	-	-	31,700	0%
Preserve Area Maintenance											
Wading Bird Foraging Areas	-	-	-	-	-	-	-	-	-	5,000	N/A
Internal Preserves	-	-	-	-	-	-	-	6,598	6,598	16,000	N/A
Western Preserve	-	-	-	-	-	-	-	34,164	34,164	31,000	N/A
Northern Preserve Area 1	-	-	-	-	-	-	-	64,560	64,560	100,000	N/A
Northern Preserve Area 2	-	-	-	-	-	-	-	-	-	175,000	N/A
Intragovernmental Transfer Out	-	-	-	-	-	-	-	-	-	-	N/A
Sub-Total:	13,560	6,483	6,119	34,772	12,690	14,165	5,908	136,238	229,936	541,675	42%
Total Expenditures and Other Uses:	\$ 13,560	\$ 6,483	\$ 6,119	\$ 34,772	\$ 12,690	\$ 14,165	\$ 5,908	\$ 136,238	\$ 229,936	\$ 541,675	42%
Net Increase/ (Decrease) in Fund Balance	(13,560)	178,669	208,946	3,700	75,912	(1,386)	553	(134,441)	318,391	-	
Fund Balance - Beginning	50,794	37,234	215,903	424,848	428,548	504,460	503,073	503,626	50,794	-	
Fund Balance - Ending	\$ 37,234	\$ 215,903	\$ 424,848	\$ 428,548	\$ 504,460	\$ 503,073	\$ 503,626	\$ 369,185	369,185	\$ -	

Flowway Community Development District
Debt Service Fund - Series 2013
Statement of Revenues, Expenditures and Changes in Fund Balance
Through May 31, 2019

Description	October	November	December	January	February	March	April	May	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources											
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
Interest Income											
Interest Account	-	-	-	-	-	-	-	2	2	8	22%
Reserve Account	133	137	133	137	137	124	137	133	1,072	1,000	107%
Prepayment Account	-	-	-	-	-	-	-	-	-	-	N/A
Revenue Account	94	97	16	58	117	108	141	145	775	600	N/A
Special Assessment Revenue											
Special Assessments - On-Roll	-	184,347	214,130	38,305	88,217	12,723	6,433	1,789	545,943	539,344	101%
Special Assessments - Off-Roll	-	-	-	-	-	-	-	-	-	-	N/A
Intragovernmental Transfer In	-	-	-	-	-	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 227	\$ 184,581	\$ 214,278	\$ 38,500	\$ 88,471	\$ 12,955	\$ 6,711	\$ 2,069	547,793	\$ 540,952	N/A
Expenditures and Other Uses											
Debt Service											
Principal Debt Service - Mandatory											
Series 2013 Bonds	\$ -	\$ 105,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	105,000	\$ 105,000	100%
Principal Debt Service - Early Redemptions											
Series 2013 Bonds	-	-	-	-	-	-	-	-	-	-	N/A
Interest Expense											
Series 2013 Bonds	-	216,963	-	-	-	-	-	213,813	430,775	430,775	100%
Operating Transfers Out (To Other Funds)	-	-	-	-	-	-	-	-	-	-	N/A
Total Expenditures and Other Uses:	\$ -	\$ 321,963	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 213,813	535,775	\$ 535,775	N/A
Net Increase/ (Decrease) in Fund Balance	227	(137,381)	214,278	38,500	88,471	12,955	6,711	(211,743)	12,018	5,177	
Fund Balance - Beginning	919,789	920,016	782,634	996,913	1,035,412	1,123,883	1,136,838	1,143,550	919,789		
Fund Balance - Ending	\$ 920,016	\$ 782,634	\$ 996,913	\$ 1,035,412	\$ 1,123,883	\$ 1,136,838	\$ 1,143,550	\$ 931,806	931,806	\$ 5,177	

**Flowway Community Development District
Debt Service Fund - Series 2015 (Phase 3)
Statement of Revenues, Expenditures and Changes in Fund Balance
Through May 31, 2019**

Description	October	November	December	January	February	March	April	May	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources											
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
Interest Income											
Interest Account	-	-	-	-	-	-	-	1	1	-	N/A
Reserve Account	61	63	61	63	63	57	63	61	490	550	89%
Prepayment Account	-	-	-	-	-	-	-	-	-	-	N/A
Revenue Account	49	50	12	32	60	56	72	74	405	300	135%
Special Assessment Revenue											
Special Assessments - On-Roll	-	87,492	101,627	18,180	41,868	6,039	3,053	849	259,106	255,873	101%
Special Assessments - Off-Roll	-	-	-	-	-	-	-	-	-	-	N/A
Special Assessments - Prepayment	-	-	-	-	-	-	-	-	-	-	N/A
Intragovernmental Transfers In											
Debt Proceeds	-	-	-	-	-	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 109	\$ 87,605	\$ 101,700	\$ 18,275	\$ 41,991	\$ 6,151	\$ 3,188	\$ 985	260,002	\$ 256,723	N/A
Expenditures and Other Uses											
Debt Service											
Principal Debt Service - Mandatory											
Series 2015 Bonds (Phase 3)	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	60,000	\$ 70,000	86%
Principal Debt Service - Early Redemptions											
Series 2015 Bonds (Phase 3)	-	-	-	-	-	-	-	-	-	-	N/A
Interest Expense											
Series 2015 Bonds (Phase 3)	-	89,738	-	-	-	-	-	88,463	178,200	190,406	94%
Operating Transfers Out (To Other Funds)											
Total Expenditures and Other Uses:	\$ -	\$ 149,738	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 88,463	238,200	\$ 260,406	N/A
Net Increase/ (Decrease) in Fund Balance	109	(62,133)	101,700	18,275	41,991	6,151	3,188	(87,478)	21,802	(3,683)	
Fund Balance - Beginning	443,275	443,384	381,251	482,951	501,225	543,216	549,367	552,555	443,275	-	
Fund Balance - Ending	\$ 443,384	\$ 381,251	\$ 482,951	\$ 501,225	\$ 543,216	\$ 549,367	\$ 552,555	\$ 465,077	465,077	\$ (3,683)	

Flowway Community Development District
Debt Service Fund - Series 2015 (Phase 4)
Statement of Revenues, Expenditures and Changes in Fund Balance
Through May 31, 2019

Description	October	November	December	January	February	March	April	May	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources											
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
Interest Income											
Interest Account	-	-	-	-	-	-	-	1	1	-	N/A
Sinking Account	-	-	-	-	-	-	-	-	-	-	N/A
Reserve Account	40	41	40	41	41	37	41	40	322	300	107%
Prepayment Account	-	-	-	-	-	-	-	-	-	-	N/A
Revenue Account	36	37	4	21	44	41	54	56	292	250	117%
General Redemption Account	-	-	-	-	-	-	-	1	1	-	N/A
Special Assessment Revenue											
Special Assessments - On-Roll	-	73,958	85,907	15,367	35,392	5,105	2,581	718	219,027	216,250	101%
Special Assessments - Off-Roll	-	-	-	-	-	-	-	-	-	-	N/A
Operating Transfers In (To Other Funds)	-	-	-	-	-	2,834	-	-	2,834	-	N/A
Debt Proceeds	-	-	-	-	-	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 76	\$ 74,036	\$ 85,951	\$ 15,429	\$ 35,477	\$ 8,016	\$ 2,676	\$ 815	222,477	\$ 216,800	N/A
Expenditures and Other Uses											
Debt Service											
Principal Debt Service - Mandatory											
Series 2015 Bonds (Phase 4)	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	50,000	\$ 50,000	100%
Principal Debt Service - Early Redemptions											
Series 2015 Bonds (Phase 4)	-	-	-	-	-	-	-	-	-	-	N/A
Interest Expense											
Series 2015 Bonds (Phase 4)	-	81,278	-	-	-	-	-	80,278	161,556	161,556	100%
Operating Transfers Out (To Other Funds)	40	41	40	41	41	37	-	-	241	-	N/A
Total Expenditures and Other Uses:	\$ 40	\$ 131,319	\$ 40	\$ 41.26	\$ 41	\$ 37	\$ -	\$ 80,278	211,797	\$ 211,556	N/A
Net Increase/ (Decrease) in Fund Balance	36	(57,283)	85,911	15,388	35,436	7,979	2,676	(79,463)	10,680	5,244	
Fund Balance - Beginning	307,103	307,139	249,856	335,767	351,155	386,591	394,570	397,246	307,103		
Fund Balance - Ending	\$ 307,139	\$ 249,856	\$ 335,767	\$ 351,155	\$ 386,591	\$ 394,570	\$ 397,246	\$ 317,783	317,783	\$ 5,244	

Flowway Community Development District
Debt Service Fund - Series 2016 (Phase 5)
Statement of Revenues, Expenditures and Changes in Fund Balance
Through May 31, 2019

Description	October	November	December	January	February	March	April	May	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources											
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
Interest Income											
Interest Account	-	-	-	-	-	-	-	1	1	2	51%
Sinking Account	-	-	-	-	-	-	-	-	-	-	N/A
Reserve Account	43	44	43	44	44	40	44	43	347	345	101%
Prepayment Account	-	-	-	-	-	-	-	-	-	-	N/A
Revenue Account	58	60	4	31	70	64	85	88	461	220	210%
Special Assessment Revenue											
Special Assessments - On-Roll	-	119,679	139,014	24,868	57,271	8,260	4,176	1,162	354,430	350,060	101%
Special Assessments - Off-Roll	-	-	-	-	-	-	-	-	-	-	N/A
Debt Proceeds											
Operating Transfers In (To Other Funds)	-	-	-	-	-	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 101	\$ 119,784	\$ 139,062	\$ 24,943	\$ 57,385	\$ 8,365	\$ 4,306	\$ 1,294	355,239	\$ 350,627	N/A
Expenditures and Other Uses											
Debt Service											
Principal Debt Service - Mandatory											
Series 2016 Bonds (Phase 5)	\$ -	\$ 95,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	95,000	\$ 95,000	100%
Principal Debt Service - Early Redemptions											
Series 2016 Bonds (Phase 5)	-	-	-	-	-	-	-	-	-	-	N/A
Interest Expense											
Series 2016 Bonds (Phase 5)	-	126,304	-	-	-	-	-	124,689	250,993	250,993	100%
Operating Transfers Out (To Other Funds)	43	44	43	44	44	40	44	43	347	-	N/A
Total Expenditures and Other Uses:	\$ 43	\$ 221,348	\$ 43	\$ 44	\$ 44	\$ 40	\$ 44	\$ 124,732	346,340	\$ 345,993	N/A
Net Increase/ (Decrease) in Fund Balance	58	(101,565)	139,019	24,899	57,340	8,324	4,262	(123,438)	8,900	4,634	
Fund Balance - Beginning	410,092	410,150	308,585	447,604	472,503	529,843	538,167	542,429	410,092		
Fund Balance - Ending	\$ 410,150	\$ 308,585	\$ 447,604	\$ 472,503	\$ 529,843	\$ 538,167	\$ 542,429	\$ 418,991	418,991	\$ 4,634	

Flowway Community Development District
Debt Service Fund - Series 2017 (Phase 6)
Statement of Revenues, Expenditures and Changes in Fund Balance
Through May 31, 2019

Description	October	November	December	January	February	March	April	May	Year to Date	Total Annual Budget	% of Budget
Revenue and Other Sources											
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	N/A
Interest Income											
Interest Account	-	-	-	-	-	-	-	1	1	-	N/A
Sinking Account	-	-	-	-	-	-	-	-	-	-	N/A
Reserve Account	29	30	29	30	30	27	30	29	235	-	N/A
Prepayment Account	-	-	-	-	-	-	-	-	-	-	N/A
Revenue Account	-	23	1	19	45	41	55	58	242	-	N/A
Special Assessment Revenue											
Special Assessments - On-Roll	-	80,908	93,979	16,812	38,717	5,584	2,823	785	239,608	236,750	101%
Special Assessments - Off-Roll	167,000	-	-	-	-	-	-	-	167,000	166,388	100%
Debt Proceeds											
Operating Transfers In (To Other Funds)	-	-	-	-	-	-	-	-	-	-	N/A
Total Revenue and Other Sources:	\$ 167,029	\$ 80,961	\$ 94,009	\$ 16,861	\$ 38,792	\$ 5,653	\$ 2,909	\$ 873	407,086	\$ 403,138	N/A
Expenditures and Other Uses											
Debt Service											
Principal Debt Service - Mandatory											
Series 2017 Bonds (Phase 6)	\$ -	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	80,000	\$ 80,000	100%
Principal Debt Service - Early Redemptions											
Series 2017 Bonds (Phase 6)	-	-	-	-	-	-	-	-	-	-	N/A
Interest Expense											
Series 2017 Bonds (Phase 6)	-	86,388	-	-	-	-	-	84,988	171,375	171,375	100%
Debt Service-Other Costs											
Operating Transfers Out (To Other Funds)	29	30	29	30	30	27	30	29	235	-	N/A
Total Expenditures and Other Uses:	\$ 29	\$ 166,418	\$ 29	\$ 30	\$ 30	\$ 27	\$ 30	\$ 85,017	251,610	\$ 251,375	N/A
Net Increase/ (Decrease) in Fund Balance	167,000	(85,456)	93,980	16,830	38,762	5,626	2,879	(84,144)	155,476	151,763	
Fund Balance - Beginning	118,377	285,377	199,920	293,900	310,731	349,493	355,118	357,997	118,377		
Fund Balance - Ending	\$ 285,377	\$ 199,920	\$ 293,900	\$ 310,731	\$ 349,493	\$ 355,118	\$ 357,997	\$ 273,853	273,853	\$ 151,763	

**Flowway Community Development District
Capital Project Fund - Series 2015 (Phase 4)
Statement of Revenues, Expenditures and Changes in Fund Balance
Through May 31, 2019**

Description	October	November	December	January	February	March	April	May	Year to Date	Total Annual Budget
Revenue and Other Sources										
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income										
Construction Account	1	1	1	1	1	1	-	-	\$ 4	-
Cost of Issuance	-	-	-	-	-	-	-	-	\$ -	-
Debt Proceeds	-	-	-	-	-	-	-	-	\$ -	-
Operating Transfers In (From Other Funds)	40	41	40	41	41	37	-	-	\$ 241	-
Total Revenue and Other Sources:	\$ 41	\$ 42	\$ 41	\$ 42	\$ 42	\$ 38	\$ -	\$ -	\$ 245	\$ -
Expenditures and Other Uses										
Executive										
Professional Management	-	-	\$ -	-	-	-	-	-	\$ -	\$ -
Other Contractual Services										
Trustee Services	-	-	\$ -	-	-	-	-	-	\$ -	\$ -
Printing & Binding	-	-	\$ -	-	-	-	-	-	\$ -	\$ -
Legal Services										
Legal - Series 2015 Bonds (Phase 4)	-	-	\$ -	-	-	-	-	-	\$ -	\$ -
Other General Government Services										
Engineering Services - Capital Projects Fund	-	-	\$ -	-	-	-	-	-	\$ -	\$ -
Capital Outlay										
Construction in Progress	-	-	\$ -	-	-	-	-	-	\$ -	\$ -
Cost of Issuance										
Series 201 Bonds (Phase 3)	-	-	-	-	-	-	-	-	-	\$ -
Underwriter's Discount	-	-	\$ -	-	-	-	-	-	\$ -	\$ -
Operating Transfers Out (To Other Funds)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,834	\$ -	\$ -	\$ 2,834	\$ -
Total Expenditures and Other Uses:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,834	\$ -	\$ -	\$ 2,834	\$ -
Net Increase/ (Decrease) in Fund Balance	41	42	\$ 41	\$ 42	\$ 42	\$ (2,796)	\$ -	\$ -	\$ (2,589)	\$ -
Fund Balance - Beginning	2,589	2,629	\$ 2,671	\$ 2,712	\$ 2,754	\$ 2,796	\$ -	\$ -	2,589	\$ -
Fund Balance - Ending	\$ 2,629	\$ 2,671	\$ 2,712	\$ 2,754	\$ 2,796	\$ -	\$ -	\$ -	\$ -	\$ -

**Flowway Community Development District
Capital Project Fund - Series 2016 (Phase 5)
Statement of Revenues, Expenditures and Changes in Fund Balance
Through May 31, 2019**

Description	October	November	December	January	February	March	April	May	Year to Date	Total Annual Budget
Revenue and Other Sources										
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income										
Construction Account	3	4	3	4	4	3	4	3	28	-
Cost of Issuance	-	-	-	-	-	-	-	-	-	-
Debt Proceeds										
Operating Transfers In (From Other Funds)	43	44	43	44	44	40	44	43	347	-
Total Revenue and Other Sources:	\$ 46	\$ 48	\$ 46	\$ 48	\$ 48	\$ 43	\$ 48	\$ 47	\$ 375	\$ -
Expenditures and Other Uses										
Executive										
Professional Management	-	-	\$ -	-	-	-	-	-	\$ -	\$ -
Other Contractual Services										
Trustee Services	-	-	\$ -	-	-	-	-	-	\$ -	\$ -
Printing & Binding										
Printing & Binding	-	-	\$ -	-	-	-	-	-	\$ -	\$ -
Legal Services										
Legal - Series 2016 Bonds (Phase 5)	-	-	\$ -	-	-	-	-	-	\$ -	-
Other General Government Services										
Stormwater Mgmt-Construction	-	-	\$ -	-	-	-	-	-	\$ -	\$ -
Capital Outlay										
Construction in Progress										
Cost of Issuance										
Series 2016 Bonds (Phase 5)	-	-	-	-	-	-	-	-	-	\$ -
Underwriter's Discount	-	-	\$ -	-	-	-	-	-	\$ -	-
Operating Transfers Out (To Other Funds)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total Expenditures and Other Uses:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase/ (Decrease) in Fund Balance	46	48	\$ 46	\$ 48	\$ 48	\$ 43	\$ 48	\$ 47	\$ 375	-
Fund Balance - Beginning	13,814	13,860	\$ 13,908	\$ 13,955	\$ 14,003	\$ 14,051	\$ 14,094	\$ 14,142	13,814	-
Fund Balance - Ending	\$ 13,860	\$ 13,908	\$ 13,955	\$ 14,003	\$ 14,051	\$ 14,094	\$ 14,142	\$ 14,189	\$ 14,189	\$ -

**Flowway Community Development District
Capital Project Fund - Series 2017 (Phase 6)
Statement of Revenues, Expenditures and Changes in Fund Balance
Through May 31, 2019**

Description	October	November	December	January	February	March	April	May	Year to Date	Total Annual Budget
Revenue and Other Sources										
Carryforward	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -
Interest Income										
Construction Account	2	2	2	2	2	2	2	2	18	-
Cost of Issuance	-	-	-	-	-	-	-	-	-	-
Debt Proceeds										
Operating Transfers In (From Other Funds)	29	30	29	30	30	27	30	29	235	-
Total Revenue and Other Sources:	\$ 31	\$ 32	\$ 31	\$ 32	\$ 32	\$ 29	\$ 32	\$ 31	\$ 253	\$ -
Expenditures and Other Uses										
Executive										
Professional Management	-	\$ -	-	-	-	-	-	-	\$ -	\$ -
Other Contractual Services										
Trustee Services	-	\$ -	-	-	-	-	-	-	\$ -	\$ -
Printing & Binding	-	\$ -	-	-	-	-	-	-	\$ -	\$ -
Legal Services										
Legal - Series 2016 Bonds (Phase 5)	-	\$ -	-	-	-	-	-	-	\$ -	-
Other General Government Services										
Stormwater Mgmt-Construction	-	\$ -	-	-	-	-	-	-	\$ -	\$ -
Capital Outlay										
Construction in Progress	-	\$ -	-	-	-	-	-	-	\$ -	-
Cost of Issuance										
Series 2016 Bonds (Phase 5)	-	-	-	-	-	-	-	-	-	\$ -
Underwriter's Discount	-	\$ -	-	-	-	-	-	-	\$ -	-
Operating Transfers Out (To Other Funds)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures and Other Uses:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase/ (Decrease) in Fund Balance	31	32	31	32	32	29	32	31	253	-
Fund Balance - Beginning	(167,301)	(167,270)	(167,238)	(167,206)	(167,174)	(167,141)	(167,112)	(167,080)	(167,301)	-
Fund Balance - Ending	\$ (167,270)	\$ (167,238)	\$ (167,206)	\$ (167,174)	\$ (167,141)	\$ (167,112)	\$ (167,080)	\$ (167,048)	\$ (167,048)	\$ -



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MEMORANDUM

TO: Jim Ward
FROM: Tim Hall
DATE: June 6, 2019
RE: Current Status of Preserve Maintenance

STATUS OF PRESERVES - Preserves are broken up into 5 different areas as depicted on the enclosed map. This was done to differentiate between different work efforts and locations to help with final agency sign-offs and bonding requirements. The five areas are; Wading bird Foraging Areas, Internal Preserves, Western Preserve, Northern Preserve, Section 11 Preserve. The below is a summary of the current status of each preserve area along with a little history where appropriate.

AREA 1 – Wading Bird Foraging Areas - These two preserve areas are located in the south western portion of the property. They comprise approximately 31.86 acres and were created to improve wood stork and other wading bird foraging habitat by scraping down the areas to create a contoured wetland habitat. The different depths created serve to concentrate prey (small fish and crayfish) from November through February which is an important time frame for wood stork reproduction. The intent of these preserve areas was to create a mixed marsh and prairie habitat with scattered open water areas. Wood stork foraging has been documented within these preserves in every year since construction except for 2015.

These two preserves were cleared and contoured in late 2013. Plantings were installed in January and February 2014. Torpedo grass and cattails infestations impacted some of the initial plantings so that annual reporting did not start until July 2017. Exotic and nuisance plants are currently being controlled through the annual maintenance work and preserves are looking good. July 2019 will be the third year's annual monitoring report with two more successful years required in order to get final agency signoff in August 2021.

The annual maintenance cost for these two preserve areas is about \$1,525.

AREA 2 – Internal Preserves - The internal preserves are made up of 5 distinct areas spread out throughout the development area. All together, they comprise about 38 acres and are maintained to be a mixture of forested and prairie habitat.

These preserves were initially cleared of exotics in late 2013 and have been maintained and monitored since then. The SFWMD recently conducted their final sign-off site visit and determined that the preserves met the success criteria and future reporting would not be required. Future maintenance will be ongoing.

The annual maintenance cost for these five preserve areas is about \$6,600.

The SFWMD also approved a work plan to remove some of the dead fallen trees from around the perimeter of the three internal preserve areas adjacent to the residences. This work plan is being bid out and anticipated to be completed this summer.

AREA 3 – Western Preserve – The Western preserve runs along the west border of the development adjacent to the flow-way and around the wading bird foraging areas. This preserve is approximately 167 acres in size and is being maintained as a mixed forested and prairie habitat. All exotic removal from this preserve was done by hand with chainsaws only.

These preserves were initially cleared of exotics in April and May of 2013. Maintenance was not done in 2010 or 16 so annual reporting was extended an additional year into 2020. Maintenance has been conducted in 2018 and 2019 and the Preserve is in good shape. Sign-off by the regulatory agencies is expected in late 2020.

The annual maintenance cost for this preserve area will be decreasing over the next few years as exotics are eliminated and controlled and the maintenance becomes more routine. Current cost of this area is about \$38,000 and is expected to decrease to around \$28,500 by 2022.

AREA 4 – Northern Preserve – The Northern preserve encompasses the lands north of the development between the development and the County line. This is the largest of the development's preserve areas encompassing approximately 730 acres. This preserve has a 20 acre outparcel located roughly in the center of the preserve. During the permitting of the development, a small access easement was left from the 951 extension corridor to the outparcel. Allowances in the conservation easement were also made for the potential future extension of CR 951 to the north should the County ever decide to pursue that extension and connect CR 951 with Logan Blvd on the west side of the preserve.

Exotic removal from this preserve was difficult due to the extensive infestation and was accomplished over a period of several years (from 2014 to 2017). Hand clearing of exotics occurred over approximately 570 acres of this preserve while mechanical clearing was done over the remainder. The mechanical helped to remove the dense Brazilian pepper and melaleuca infestation in the northern portions of this preserve area. Maintenance has been conducted in 2018 and is currently underway in 2019. The Preserve still has infestations of exotic grasses and regeneration of melaleuca and Brazilian pepper seedlings but this regeneration is expected to diminish greatly over the next year due to the exhaustion of the seed resources remaining after the initial removal. The Preserve is in good shape but needs continued active maintenance for another year or so to make sure the exotic regeneration is under control. This year (2019) will constitute the second annual monitoring event so at least three more are required to meet the agency success criteria. After next year's monitoring, an analysis of the tree density will be conducted to determine if any supplemental plantings will be required within the mechanical removal areas. This analysis has been biased due to the loss of trees associated with Hurricane Irma in 2017 so some additional coordination will be undertaken with the SFWMD to try and get an additional year extension before any supplemental plantings have to be considered. Agency sign-off is expected in 2022 as long as diligent maintenance is continued.

As with the Western preserve, the annual maintenance cost for this preserve area will be decreasing over the next few years as exotics are eliminated and controlled and the maintenance becomes more routine. Current cost of this area is about \$145,700 and is expected to decrease to around \$109,300 by 2022.

AREA 5 – Section 11 Preserve – The Section 11 preserve encompasses lands north of the development and east of the Northern Preserve along the County line. This preserve area encompasses approximately 160 acres. Exotic removal from this preserve was difficult due to access as well as the extensive infestation and was accomplished over a period of two years (from 2016 to 2017).

Hand clearing of exotics occurred over approximately 70 acres of this preserve while mechanical clearing was done over the remaining 90 acres. The mechanical removal was necessary to eliminate the dense Brazilian pepper and melaleuca infestation in the northern and western portions of this preserve area. Maintenance has been conducted in 2018 and is currently underway in 2019. The Preserve still has infestations of exotic grasses and early successional weedy vegetation but this is expected to diminish greatly over the next year due to the ongoing maintenance and the exhaustion of seed resources remaining after the initial removal. The Preserve is in good shape but needs continued active maintenance for another year or so to make sure the exotic regeneration is under control. This year (2019) will constitute the second annual monitoring event so at least three more are required to meet the agency success criteria. After next year's monitoring, an analysis of the tree density will be conducted to determine if any supplemental plantings will be required within the mechanical removal areas. This analysis has been biased due to the loss of trees associated with Hurricane Irma in 2017 so some additional coordination will be undertaken with the SFWMD to try and get an additional year extension before any supplemental plantings have to be considered. Agency sign-off is expected in 2022 as long as diligent maintenance is continued.

The annual maintenance cost for this preserve area will be decreasing over the next few years as exotics are eliminated and controlled and the maintenance becomes more routine. Current cost of this area is about \$32,000 and is expected to decrease to around \$24,000 by 2022.

DONATION OF PRESERVES – Back when the project was initially being permitted (way back in 2000 and 2001), there was a concern that the preserve was too big to be adequately taken care of by a homeowner's association. Agency and NGO personnel commented that it would be better taken care of by an entity with experience doing so and that would have funding to make sure it was taken care of as it was supposed to be. The CREW Trust was approached back in 2001 about the possibility of accepting the land once all exotics had been removed and controlled, and appropriate native habitats restored. CREW was in support of the preservation of these lands and said they would assist in transferring the external preserves to an appropriate maintenance entity (either themselves or another).

The management plan for the external preserves (Section 11, Northern, and Western) included provisions that the preserves would be offered to CREW or another suitable public entity along with escrow funds for perpetual maintenance of the preserve areas transferred. The management plan does not require CREW to accept the preserves, and the maintenance of the preserves remains with the CDD if the preserves are not transferred. The offer to transfer cannot be made until the preserves are restored to natural habitats and exotic vegetation is under control. This was originally anticipated in 2019 but due to permitting delays and the difficulty with the initial exotic removal, that date has been pushed back to 2022 at the earliest.

Should the CDD not want to transfer the preserves, and instead maintain the preserves themselves, I believe that a relatively simple permit modification could remove the provision to offer them for transfer. The local State (SFWMD and FWC) and Federal (USACE and FWS) agencies all recognize that a CDD is a public entity and has the authority to levy funds for

maintenance activities via assessments. I do not believe that they would be opposed to the CDD maintaining ownership and maintenance responsibilities, especially given that CREW has not stated that they want or would accept them if offered.

RESPONSES TO MR. MILLER'S QUESTIONS - I was forwarded the following three questions from Mr. Miller and have tried to respond to the best of my knowledge.

- 1) Mitigation progress report, that is, when will the preserves be fully mitigated in conformance with the environmental permits ready for turn over to CREW or other public agency. **This question has been addressed above.**

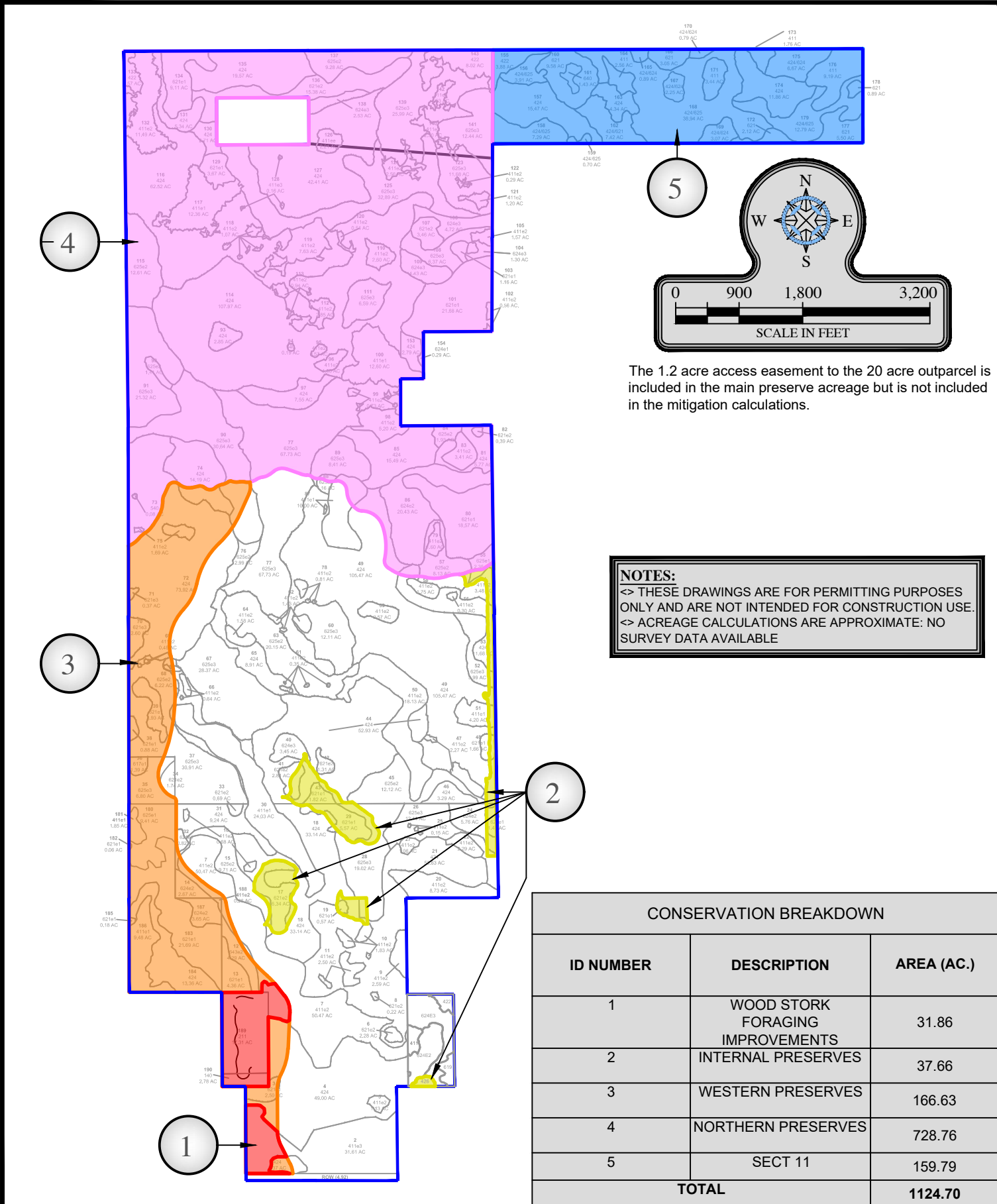
- 2) Are any of the current CDD preserve expenses related to the original Taylor Morrison mitigation requirements or are all the current expenses related to post mitigation routine maintenance. **The initial removal of exotics from all of the preserve areas has been completed and all of the preserves have been placed under conservation easements. All preserves are now in the maintenance phase to keep them as exotic free as possible. The wetland and listed species mitigation credit generated from the preserves is also dependent on them being kept predominantly exotic free in perpetuity and that requirement will be the responsibility of whatever entity owns them.**

- 3) Do the environmental permits require Taylor Morrison to continue preserve ownership until the Esplanade project reaches the 90% turn over requirement to the HOA. **There is no provision or requirement in the environmental permits for Taylor Morrison to maintain ownership for any specific time frame. The Permits allow for the transfer of the preserves to an HOA or CDD prior to final sign-off by the agencies. The preserve management plan states that the maintenance and monitoring responsibilities will transfer to the entity (HOA or CDD) along with the ownership transfer.**

Please don't hesitate to contact me if there are any further questions or clarifications needed. I am planning on attending the June 18 CCD meeting and can respond to any questions there as well.



Tim Hall
Senior Ecologist
Turrell, Hall & Associates



NOTES:
 <> THESE DRAWINGS ARE FOR PERMITTING PURPOSES ONLY AND ARE NOT INTENDED FOR CONSTRUCTION USE.
 <> ACREAGE CALCULATIONS ARE APPROXIMATE: NO SURVEY DATA AVAILABLE

CONSERVATION BREAKDOWN		
ID NUMBER	DESCRIPTION	AREA (AC.)
1	WOOD STORK FORAGING IMPROVEMENTS	31.86
2	INTERNAL PRESERVES	37.66
3	WESTERN PRESERVES	166.63
4	NORTHERN PRESERVES	728.76
5	SECT 11	159.79
TOTAL		1124.70