

WILLOWS

COMMUNITY DEVELOPMENT DISTRICT

August 26, 2022

BOARD OF SUPERVISORS

REGULAR MEETING

AGENDA

Willows Community Development District
OFFICE OF THE DISTRICT MANAGER
2300 Glades Road, Suite 410W•Boca Raton, Florida 33431
Phone: (561) 571-0010•Toll-free: (877) 276-0889•Fax: (561) 571-0013

August 19, 2022

Board of Supervisors
Willows Community Development District

<p><u>ATTENDEES:</u> Please identify yourself each time you speak to facilitate accurate transcription of meeting minutes.</p>

Dear Board Members:

The Board of Supervisors of the Willows Community Development District will hold a Regular Meeting on August 26, 2022 at 11:00 a.m., at the office of ZNS Engineering, 1023 Manatee Avenue W, Bradenton, Florida 34205 (7th Floor). The agenda is as follows:

1. Call to Order/Roll Call
2. Public Comments
3. Administration of Oath of Office to Supervisor, Nicholas Aparicio; SEAT 3 (*the following to be provided in a separate package*)
 - A. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees
 - B. Membership, Obligations and Responsibilities
 - C. Chapter 190, Florida Statutes
 - D. Financial Disclosure Forms
 - I. Form 1: Statement of Financial Interests
 - II. Form 1X: Amendment to Form 1, Statement of Financial Interests
 - III. Form 1F: Final Statement of Financial Interests
 - E. Form 8B: Memorandum of Voting Conflict
4. Consideration of Series 2022 Financing Matters
 - A. Presentation of Supplemental Engineer's Report
 - B. Presentation of Second Supplemental Assessment Methodology Report
 - C. Consideration of Resolution 2022-10 Delegating to the Chairman of the Board of Supervisors of Willows Community Development District (the "District") the Authority to Approve the Sale, Issuance and Terms of Sale of Willows Community Development District Special Assessment Revenue Bonds, Series 2022

(Assessment Area Two), as a Single Series of Bonds Under the Master Trust Indenture (the "Series 2022 Bonds") in Order to Finance the Assessment Area Two Project; Establishing The Parameters for the Principal Amounts, Interest Rates, Maturity Dates, Redemption Provisions and Other Details Thereof; Approving the Form of and Authorizing the Chairman to Accept the Bond Purchase Contract for the Series 2022 Bonds; Approving a Negotiated Sale of the Series 2022 Bonds to the Underwriter; Ratifying the Master Trust Indenture and Approving the Form of Second Supplemental Trust Indenture and Authorizing the Execution and Delivery Thereof by Certain Officers of the District; Appointing a Trustee, Paying Agent and Registrar for the Series 2022 Bonds; Approving the Form of the Series 2022 Bonds; Approving the Form of and Authorizing the Use of the Preliminary Limited Offering Memorandum And Limited Offering Memorandum Relating to the Series 2022 Bonds; Approving the Form of the Continuing Disclosure Agreement Relating to the Series 2022 Bonds; Authorizing Certain Officers of the District to Take All Actions Required and to Execute and Deliver All Documents, Instruments and Certificates Necessary in Connection with the Issuance, Sale and Delivery of the Series 2022 Bonds; Authorizing the Vice Chairman and Assistant Secretaries to Act in the Stead of the Chairman or the Secretary, As the Case May Be; Specifying the Application of the Proceeds of the Series 2022 Bonds; Authorizing Certain Officers of the District to Take all Actions and Enter into All Agreements Required in Connection with the Acquisition and Construction of the Assessment Area Two Project; and Providing an Effective Date

- I. Form of Bond Purchase Contract
 - II. Form of Second Supplemental Trust Indenture
 - III. Form of Preliminary Limited Offering Memorandum
 - IV. Form of Continuing Disclosure Agreement
5. Consideration of Acquisition of Phase II Master Infrastructure Improvements (Roadway, Stormwater Management, Utility and Landscape and Irrigation Improvements) for a Not-to-Exceed Amount of \$17 Million Dollars
 6. Consent Agenda
 - A. Acceptance of Unaudited Financial Statements as of July 31, 2022
 - B. Approval of August 5, 2022 Public Hearings and Regular Meeting Minutes
 7. Staff Reports
 - A. District Counsel: *Kutak Rock LLP*

- B. District Engineer: *ZNS Engineering, L.C.*
- C. District Manager: *Wrathell, Hunt and Associates, LLC*
 - NEXT MEETING: October 7, 2022 at 11:00 a.m.
 - QUORUM CHECK

Ryan Zook	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
Brian Janek	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
Nicolas Aparicio	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
Greg Mundell	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO
Hal Lutz	<input type="checkbox"/> IN PERSON	<input type="checkbox"/> PHONE	<input type="checkbox"/> NO

- 8. Board Members' Comments/Requests
- 9. Public Comments
- 10. Adjournment

Should you have any questions or concerns, please do not hesitate to contact me directly at 561-909-7930.

Sincerely,



Daniel Rom
District Manager

FOR BOARD MEMBERS AND STAFF TO ATTEND BY TELEPHONE

CALL-IN NUMBER: 1-888-354-0094
PARTICIPANT PASSCODE: 528 064 2804

WILLOWS
COMMUNITY DEVELOPMENT DISTRICT

4A

WILLOWS COMMUNITY DEVELOPMENT DISTRICT

SUPPLEMENTAL ENGINEERS REPORT
FOR
INFRASTRUCTURE IMPROVEMENTS

Manatee County, Florida

August 2022

Prepared for:
Willows Community Development District

Prepared By:
ZNS Engineering, L.C.
1023 Manatee Avenue West
7th Floor
Bradenton, Florida 34205
(941) 748-8080



201 5th Ave. Dr. E. | Bradenton, FL 34208 | Office: 941.748.8080 |
www.znseng.com

Engineering-EB0027476 Surveying-LB0006982 Landscape Architecture-LC0000365

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PROJECT LOCATION MAP	EXHIBIT 1
SKETCH AND LEGAL DESCRIPTION	EXHIBIT 2
PROPOSED IMPROVEMENT COST	EXHIBIT 3

I. INTRODUCTION

As stated in the Engineers' Report for Infrastructure Improvements dated October 3, 2018 (the "Master Engineers' Report"), the Willows Community Development District (the "District") is proposing to acquire and construct infrastructure for a residential community within its boundaries in northern Manatee County, Florida known as the Willows (the "Project"). The Willows will include 799 single family detached units and the corresponding infrastructure. The Project is anticipated to be built in two phases. The Project is being developed on previously vacant land, and is located to the north of Experimental Farm Road (49th St. E.), south of Erie Road (69th St. E.), between Ellenton Gillette Road and I-75. Refer to the attached Vicinity Map. The total gross acreage for the Project is 288.87 acres. The purpose of this Supplemental Engineer's Report is to provide a description and quantification of the subset of those improvements (the "Series 2022 Project") described initially in the Master Engineers' Report that are to be funded in part by the District's Special Assessment Revenue Bonds, Series 2022 (the "Series 2022 Bonds"). Refer to Exhibit 3 for a costs summary of the Series 2022 Project. The improvements described in the Master Engineers' Report are a master system of improvements that benefit lands within the District boundaries, and the Series 2022 Project represents that portion of the master improvements that are required for the development of Phase 2 of the Project.

II. GENERAL PROJECT INFORMATION

Access:

The Project will have access to its main entrances from Ellenton Gillette Road and 69th St E. Manatee County requires a secondary access for emergency response for any project over 100 units. The secondary access is from Willow Springs Drive. Turn lanes have been constructed as required by the local permitting agencies and corresponding traffic analysis.

Jurisdiction:

The Project will be under the jurisdiction and review of Manatee County, Southwest Florida Water Management District (SWFWMD), United States Army Corps. of Engineers (USACE), and the Florida Department of Environmental Protection (FDEP).

Soils:

The USDA Natural Resources Conservation Service Soil Survey of Manatee County indicates eight soil mapping units on the site to include Bradenton (#4), Bradenton (#5), Chobby (#13 and #14), EauGallie (#20), Felda (#22), Floridana (#25), Floridan-Immokalee-Okeelanta (#26), and Wabasso (#48). The soils typically possess shallow clayey soils which may be moisture sensitive and difficult to compact if encountered during construction. Additionally, the presence of dense sands with rock fragments, and hard clays may be encountered at varying depths across the site.



Topography:

The Topographic Survey was completed by ZNS Engineering, LC. The elevations provided are in N.A.V.D. 1988 datum. There is a ridge/high elevation at the northern extent of the Project. Elevations range from the ridge/high elevation of approximately 36 feet down to a low elevation of approximately 26 feet at the southern extent of the Project and to approximately 18 feet at the northern extent of the Project.

Watershed:

The site is at the headwater of the Government Hammock Watershed which flows to the southeast.

Floodplains:

The latest FEMA FIRM Panels show portions of the site within Flood Zones A and AE. Finish floor elevations have been set a minimum of one foot higher than the base flood elevations. A LOMR (Letter of Map Revision) was applied for and denied by FEMA for the Project and will require MT-2 studies to be submitted to remove the lots from the floodplain.

III. LAND USES

Zoning:

The site was previously zoned A-1 and RSF-3. Manatee County approved the application to Rezone to PDR on October 5th, 2017, Ordinance PDR-16-21(Z)(P). This rezone granted entitlement for 799 homes on the subject property.

IV. PERMITS

The following is a detail of permit requirements for on-site and off-site improvements and the current status of the permit.

Manatee County:

- a) Local Zoning Approvals - Rezone with Preliminary Site Plan (PSP) - Approved by Ordinance PDR-16-21(Z)(P)
- b) Local Concurrency Approvals - Traffic & Utilities/Certificate of Level Of Service (CLOS-17-056) - Approved
- c) Mass Grading Construction Plan - Approved (PLN1808-0046)
- d) Final Site Plan Phase I (FSP) - Approved (PLN1902-0001) (FSP-19-12)
- e) Construction Plan Phase I (CP) - Approved (PLN1902-0002)
- f) Final Site Plan Phase 2 (FSP) - Approved (PLN2007-0053) (FSP-20-77)
- g) Construction Plan Phase 2 (CP) - Approved (PLN2007-0054)

Southwest Florida Water Management District (SWFWMD):



- a) Mass Grading Environmental Resource Permit (ERP) - Approved (43030391.004)
- b) Environmental Resource Permit Phase I (ERP) per Chapter 373, Florida Statutes and Rules Contained in Chapter 62-330, Florida Administrative Code (F.A.C.) & Section 401 of the Clean Water Act, 33 U.S.C. 1341. - Approved (43030391.005)
- c) Environmental Resource Permit Amenity Center (ERP) per Chapter 373, Florida Statutes and Rules Contained in Chapter 62-330, Florida Administrative Code (F.A.C.) & Section 401 of the Clean Water Act, 33 U.S.C. 1341. - Approved (43030391.007)
- d) Environmental Resource Permit Phase 2 (ERP) per Chapter 373, Florida Statutes and Rules Contained in Chapter 62-330, Florida Administrative Code (F.A.C.) & Section 401 of the Clean Water Act, 33 U.S.C. 1341. - Approved (43030391.008)

U.S. Army Corps of Engineers (USACE):

- a) Onsite Dredge and Fill Permit - This permit is required in order to impact USACOE jurisdictional wetlands or other surface waters. The permit application was submitted in August of 2018 and was approved February 15, 2019 under permit #SAJ-2006-07526.

Florida Department of Environmental Protection:

- a) Construction of Water Main Extensions Phase I - Approved (133068-1374-DSGP/02)
- b) Construction of Wastewater Collection System Phase I - Approved (CS41-0182186-295-DWC/CG)
- c) Construction of Water Main Extensions Phase II - Approved (133068-1469-DSGP/02)
- d) Construction of Wastewater Collection System Phase II - Approved (CS41-0182186-343-DWC/CM)

V. PUBLIC INFRASTRUCTURE IMPROVEMENTS

Proposed public infrastructure improvements for the Series 2022 Project will consist of drainage and stormwater management system (i.e. pipes, lakes, control structures, etc.), entry features (i.e. landscaping, decorative walls and fences), potable water systems, sanitary sewer systems, roadways (including street lighting), and irrigation facilities within Phase 2 of the Project. The District funded improvements are further described in the following sections.

Potable Water:

Potable water infrastructure will ultimately be operated and maintained by Manatee County but funded by the District. The proposed offsite potable water system will be operated and maintained by Manatee County.

Wastewater:

Wastewater infrastructure will ultimately be operated and maintained by Manatee County but funded by the District. The Project falls within the Manatee County North Service Area which is serviced by the Manatee County North Regional Facility. The



wastewater system connects to an existing 8" forcemain that will flow to the master pump station within the Willow Walk Subdivision and ultimately through the Willow Hammock/I-75 Crossing/Trevesta Extension and along Erie Road to the Treatment Plant.

Roadway:

Offsite roadway improvements on Ellenton Gillette Road and Erie Road are required for access to the Willows. These improvements shall be funded by the District but ultimately operated and maintained by Manatee County.

Stormwater Management/Drainage:

All stormwater facilities will be operated/maintained and funded by the District. Stormwater detention may occur via wet ponds and/or dry retention areas. The stormwater ponds will provide both water quality and attenuation requirements per Manatee County and SWFWMD. Portions of the Series 2022 Project do lie within the 100 year floodplain. The stormwater facilities will be dual use serving also as floodplain compensation for any proposed impacts to the floodplain.

Landscape/Hardscape:

Portions of the landscaping will be maintained and funded by the District. The remaining portion of landscape will be funded by the developer, then privately operated and maintained. This community has unique wall/berm and hardscape/entry designs which will be operated/maintained and funded by the District.

Irrigation:

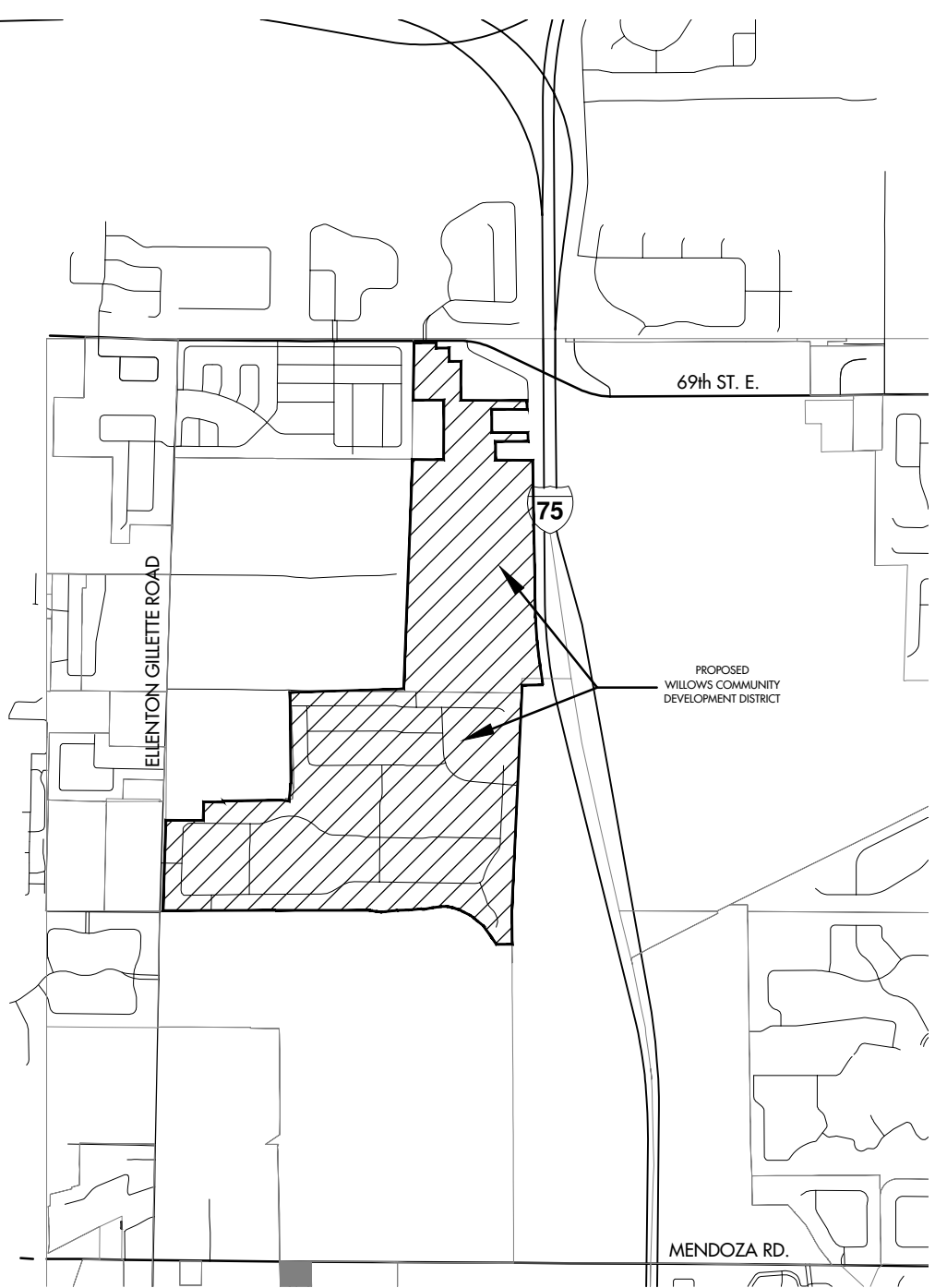
The District will contract with the applicable water use permittee in order to utilize/access ground water to supply the irrigation system. The District will operate/maintain the irrigation system to include the irrigation pumps/controllers/panels, stormwater ponds, and irrigation infrastructure to provide access to irrigation water to individual lot owners as well as common areas.

VI. SUMMARY AND CONCLUSION

The Willows will be designed in accordance with current governmental regulations and requirements. The Series 2022 Project will serve its intended function so long as the construction is in substantial compliance with the design. The cost estimate provided is reasonable to complete the required improvements and it is our professional opinion that the infrastructure improvements will benefit and add value to the District. The cost estimate is based on prices currently being experienced in Southwest Florida. Actual costs may vary depending on final engineering and approvals from regulatory agencies.



EXHIBIT 1 - PROJECT LOCATION MAP



Tue, 11 Jul 2017 - 2:11pm

X:\Acad\Silverstone (44277)\ENG\Exhibits\SS-LOCM.dwg

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LOCATION MAP (EXHIBIT 1)
FOR
WILLOWS COMMUNITY DEVELOPMENT DISTRICT

LOCATED IN
SECTION 4, & 33, TOWNSHIP 33, 34 SOUTH, RANGE 18 EAST
MANATEE COUNTY, FLORIDA

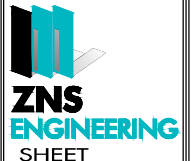


EXHIBIT 2 - SKETCH AND LEGAL DESCRIPTION

ERIE ROAD 69th STREET EAST



SEE SHEET
3 OF 5

I-75 STATE ROAD No. 93

MATCH LINE

SEE SHEET
2 OF 5

TOWNSHIP 33 SOUTH

TOWNSHIP 34 SOUTH

32 33

5 4

CERTIFICATE OF SURVEYOR

I, THE UNDERSIGNED PROFESSIONAL SURVEYOR & MAPPER, HEREBY CERTIFY THAT THIS METES AND BOUNDS, LEGAL DESCRIPTION AND SKETCH SET FORTH IN EXHIBIT 2 "METES AND BOUNDS, LEGAL DESCRIPTION AND SKETCH (EXHIBIT 2)" OF THE PETITION FOR THE ESTABLISHMENT OF WILLOWS COMMUNITY DEVELOPMENT DISTRICT (COMMUNITY DEVELOPMENT DISTRICT) WAS PREPARED UNDER MY DIRECT SUPERVISION THAT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF IS A TRUE AND CORRECT REPRESENTATION OF THE LAND AS SHOWN AND DESCRIBED HEREON, AND THAT IT MEETS THE "STANDARDS OF PRACTICE FOR SURVEYING IN THE STATE OF FLORIDA", CHAPTER 5J-17, OF THE FLORIDA ADMINISTRATIVE CODE.

REVISIONS:

- 1. PER COMMENTS 08/31/17 GB

FLORIDA CERTIFICATE No. LS4292
DATE OF CERTIFICATION 07/11/17
DATE OF FIELD SURVEY 05/03/17

NOTES:

- 1. SEE SHEET 4 AND 5 FOR DESCRIPTION.

BY: 
R.E.M. EDGERTON, P.S.M.

T:\Willow Trails\CDD\WT CDD.dwg 00-44277 GB

07/11/17

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METES AND BOUNDS, LEGAL DESCRIPTION AND SKETCH (EXHIBIT 2)
FOR
WILLOWS COMMUNITY DEVELOPMENT DISTRICT
LOCATED IN
SECTIONS 29, 32 & 33, TOWNSHIP 33 SOUTH, RANGE 18 EAST
SECTION 5, TOWNSHIP 34 SOUTH, RANGE 18 EAST
MANATEE COUNTY, FLORIDA



SHEET 1 of 5

EASTERLY MAINTAINED R/W LINE N 01° 52' 25" E 1,019.54'

ELLENTON GILLETTE ROAD
STATE ROAD No. 683

REVISIONS:

- 1. PER COMMENTS 08/31/17 GB

NOTES:

- 1. SEE SHEET 4 AND 5 FOR DESCRIPTION.



TOWNSHIP 34 SOUTH
TOWNSHIP 33 SOUTH

LINE DATA TABLE:

LINE	BEARING	LENGTH
L1	S 00° 27' 36" E	383.77'
L2	S 89° 32' 57" W	179.17'
L3	N 33° 03' 33" W	90.06'
L4	N 35° 45' 01" W	168.07'
L5	N 50° 45' 59" W	89.15'
L6	N 48° 37' 03" W	46.88'
L7	N 55° 38' 00" W	46.64'
L8	N 62° 57' 01" W	96.56'
L9	N 64° 58' 57" W	57.53'
L10	N 71° 59' 29" W	69.10'
L11	N 78° 01' 01" W	61.42'
L12	N 89° 28' 40" W	65.94'
L13	S 81° 46' 10" W	114.52'
L14	S 79° 42' 58" W	76.33'
L15	N 83° 34' 04" W	38.00'
L16	S 83° 25' 34" W	142.65'
L17	S 89° 07' 43" W	127.43'
L18	S 83° 50' 40" W	184.41'
L19	N 82° 55' 35" W	49.34'
L20	N 82° 13' 21" W	63.63'
L21	N 62° 16' 15" W	10.57'
L22	N 01° 39' 27" E	210.03'
L23	S 89° 33' 26" E	223.54'
L24	N 01° 40' 52" E	13.09'
L25	S 80° 50' 08" E	80.36'
L26	N 06° 10' 54" E	204.45'
L45	S 88° 58' 23" W	233.55'

12,504,925 SQ.FT.
287.07 ACRES

MATCH LINE A-A
(SEE SHEET 3 OF 4)

P.O.B.
N.E. CORNER OF
SECTION 5-34-18

S 02° 39' 48" W 2,541.26' E. LINE OF SECTION 32-33-18

T:\Willow Trails\CDD\WT CDD.dwg 00-44277 GB

07/11/17

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METES AND BOUNDS, LEGAL DESCRIPTION AND SKETCH (EXHIBIT 2)
FOR
WILLOWS COMMUNITY DEVELOPMENT DISTRICT
LOCATED IN
SECTIONS 29, 32 & 33, TOWNSHIP 33 SOUTH, RANGE 18 EAST
SECTION 5, TOWNSHIP 34 SOUTH, RANGE 18 EAST
MANATEE COUNTY, FLORIDA



NOTES:

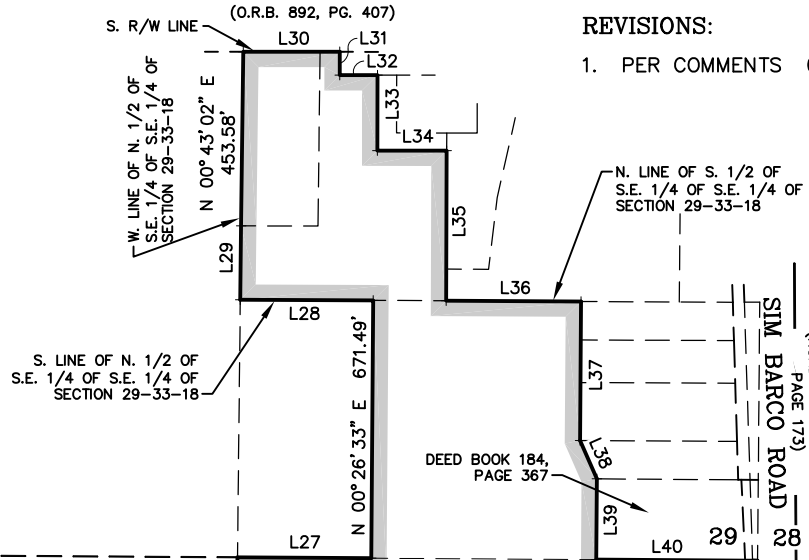
1. SEE SHEET 4 AND 5 FOR DESCRIPTION.



ERIE ROAD 69th STREET EAST

REVISIONS:

1. PER COMMENTS 08/31/17 GB



CURVE DATA TABLE:

CURVE	RADIUS	DELTA	LENGTH	CHORD BEARING	CH. LENGTH
C1	5,903.58'	09°50'34"	1,014.18'	S 05°08'45" E	1,012.93'

LINE DATA TABLE:

LINE	BEARING	LENGTH
L27	S 89°38'32" E	348.44'
L28	N 89°45'02" W	346.20'
L29	N 00°35'45" E	192.41'
L30	S 89°56'34" E	251.45'
L31	S 00°08'06" W	60.63'
L32	S 89°58'07" E	98.15'
L33	S 00°05'22" E	196.44'
L34	S 89°53'38" E	180.60'
L35	S 00°11'25" W	390.71'
L36	S 89°41'02" E	351.42'
L37	S 00°26'38" W	361.99'
L38	S 23°42'37" E	109.16'
L39	S 00°25'29" W	210.31'
L40	S 89°38'32" E	420.05'
L41	S 00°15'44" E	201.14'
L42	S 88°58'23" W	233.55'

12,504,925 SQ.FT.
287.07 ACRES

N 88°13'07" E 1,285.42'

MATCH LINE A-A
(SEE SHEET 2 OF 4)

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METES AND BOUNDS, LEGAL DESCRIPTION AND SKETCH (EXHIBIT 2)
FOR
WILLOWS COMMUNITY DEVELOPMENT DISTRICT
LOCATED IN
SECTIONS 29, 32 & 33, TOWNSHIP 33 SOUTH, RANGE 18 EAST
SECTION 5, TOWNSHIP 34 SOUTH, RANGE 18 EAST
MANATEE COUNTY, FLORIDA



DESCRIPTION:

A PARCEL OF LAND LOCATED IN SECTIONS 29, 32 & 33, TOWNSHIP 33 SOUTH, RANGE 18 EAST AND SECTION 5, TOWNSHIP 34 SOUTH, RANGE 18 EAST, MANATEE COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOW:

BEGIN AT THE NORTHEAST CORNER OF SAID SECTION 5; THENCE S 00°27'36" E, A DISTANCE OF 383.77 FEET; THENCE S 89°32'57" W, A DISTANCE OF 179.17 FEET; THENCE NORTHWESTERLY AND WESTERLY, ALONG THE CENTERLINE OF A DITCH, THE FOLLOWING NINETEEN (19) COURSES: 1) N 33°03'33" W, A DISTANCE OF 90.06 FEET; 2) THENCE N 35°45'01" W, A DISTANCE OF 168.07 FEET; 3) THENCE N 50°45'59" W, A DISTANCE OF 89.15 FEET; 4) THENCE N 48°37'03" W, A DISTANCE OF 46.88 FEET; 5) THENCE N 55°38'00" W, A DISTANCE OF 46.64 FEET; 6) THENCE N 62°57'01" W, A DISTANCE OF 96.56 FEET; 7) THENCE N 64°58'57" W, A DISTANCE OF 57.53 FEET; 8) THENCE N 71°59'29" W, A DISTANCE OF 69.10 FEET; 9) THENCE N 78°01'01" W, A DISTANCE OF 61.42 FEET; 10) THENCE N 89°28'40" W, A DISTANCE OF 65.94 FEET; 11) THENCE S 81°46'10" W, A DISTANCE OF 114.52 FEET; 12) THENCE S 79°42'58" W, A DISTANCE OF 76.33 FEET; 13) THENCE N 83°34'04" W, A DISTANCE OF 38.00 FEET; 14) THENCE S 83°25'34" W, A DISTANCE OF 142.65 FEET; 15) THENCE S 89°07'43" W, A DISTANCE OF 127.43 FEET; 16) THENCE S 83°50'40" W, A DISTANCE OF 184.41 FEET; 17) THENCE N 82°55'35" W, A DISTANCE OF 49.34 FEET; 18) THENCE N 82°13'21" W, A DISTANCE OF 63.63 FEET; 19) THENCE N 62°16'15" W, A DISTANCE OF 10.57 FEET TO THE END OF SAID CENTERLINE AND A POINT ON THE NORTH LINE OF AFORESAID SECTION 5; THENCE ALONG AFORESAID NORTH LINE OF SECTION 5, THE FOLLOWING TWO (2) COURSES: 1) S 89°58'05" W, A DISTANCE OF 1,070.77 FEET; 2) THENCE S 89°52'31" W, A DISTANCE OF 1,270.05 FEET TO A POINT ON THE EASTERLY MAINTAINED RIGHT-OF-WAY LINE OF ELLENTON GILLETTE ROAD (STATE ROAD No. 683); THENCE N 01°52'25" E ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 1,019.54 FEET; THENCE S 89°33'03" E, A DISTANCE OF 420.84 FEET; THENCE N 01°39'27" E, A DISTANCE OF 210.03 FEET; THENCE S 89°33'26" E, A DISTANCE OF 223.54 FEET; THENCE N 01°40'52" E, A DISTANCE OF 13.09 FEET; THENCE N 89°11'27" E, A DISTANCE OF 660.15 FEET; THENCE S 80°50'08" E, A DISTANCE OF 80.36 FEET; THENCE N 06°10'54" E, A DISTANCE OF 204.45 FEET; THENCE N 00°42'20" W, A DISTANCE OF 1,024.46 FEET; THENCE N 88°13'07" E, A DISTANCE OF 1,285.42 FEET; THENCE N 02°12'30" E ALONG THE WEST LINE OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF AFORESAID SECTION 32, A DISTANCE OF 2,589.36 FEET; THENCE S 89°38'32" E ALONG THE NORTH LINE OF THE NORTHEAST 1/4 OF AFORESAID SECTION 32, A DISTANCE OF 348.44 FEET; THENCE N 00°26'33" E, A DISTANCE OF 671.49 FEET; THENCE N 89°45'02" W ALONG THE SOUTH LINE OF THE NORTH 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF AFORESAID SECTION 29, A DISTANCE OF 346.20 FEET TO THE SOUTHWEST CORNER OF SAID NORTH 1/2; THENCE NORTHERLY, ALONG THE WEST LINE OF SAID NORTH 1/2, THE FOLLOWING TWO (2) COURSES: 1) N 00°35'45" E, A DISTANCE OF 192.41 FEET; 2) THENCE N 00°43'02" E, A DISTANCE OF 453.58 FEET TO A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF ERIE ROAD, AS DESCRIBED AND RECORDED IN OFFICIAL RECORDS BOOK 892, PAGE 407 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE S 89°56'34" E ALONG SAID SOUTH RIGHT-OF-WAY LINE, A DISTANCE OF 251.45 FEET; THENCE S 00°08'06" W, A DISTANCE OF 60.63 FEET; THENCE S 89°58'07" E, A DISTANCE OF 98.15 FEET; THENCE S 00°05'22" W, A DISTANCE OF 196.44 FEET; THENCE S 89°53'38" E, A DISTANCE OF 180.60 FEET; THENCE S 00°11'25" W, A DISTANCE OF 390.71 FEET TO A POINT ON

cont.

REVISIONS:

- 1. PER COMMENTS 08/31/17 GB

NOTES:

- 1. SEE SHEETS 2 & 3 OF 5 FOR SKETCH.

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07/11/17

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METES AND BOUNDS, LEGAL DESCRIPTION AND SKETCH (EXHIBIT 2)
FOR
WILLOWS COMMUNITY DEVELOPMENT DISTRICT
LOCATED IN
SECTIONS 29, 32 & 33, TOWNSHIP 33 SOUTH, RANGE 18 EAST
SECTION 5, TOWNSHIP 34 SOUTH, RANGE 18 EAST
MANATEE COUNTY, FLORIDA



cont.

THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF AFORESAID SECTION 29; THENCE S 89°41'02" E ALONG SAID NORTH LINE, A DISTANCE OF 351.42 FEET; THENCE S 00°26'38" W, A DISTANCE OF 361.99 FEET; THENCE S 23°42'37" E, A DISTANCE OF 109.16 FEET TO A POINT ON A PARCEL OF LAND CONVEYED FOR A CEMETERY AS DESCRIBED AND RECORDED IN DEED BOOK 184, PAGE 367 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE SOUTHERLY AND EASTERLY ALONG SAID PARCEL, THE FOLLOWING TWO (2) COURSES: 1) S 00°25'29" W, A DISTANCE OF 210.31 FEET TO A POINT ON THE NORTH LINE OF AFORESAID NORTHEAST 1/4 OF SECTION 29, TOWNSHIP 33 SOUTH, RANGE 18 EAST; 2) S 89°38'32" E ALONG SAID SOUTH LINE, A DISTANCE OF 420.05 FEET TO THE NORTHEAST CORNER OF AFORESAID SECTION 32 AND A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF I-75 (STATE ROAD No. 93); THENCE SOUTHERLY, ALONG SAID WESTERLY RIGHT-OF-WAY LINE, THE FOLLOWING FOUR (4) COURSES: 1) S 00°48'50" E, A DISTANCE OF 723.30 FEET; 2) THENCE S 01°22'08" E, A DISTANCE OF 600.16 FEET; 3) THENCE S 00°15'44" E, A DISTANCE OF 201.14 FEET TO A POINT ON THE ARC OF A NON-TANGENTIAL CURVE TO THE LEFT, WHOSE RADIUS POINT BEARS N 89°46'32" E, A DISTANCE OF 5,903.58 FEET; 4) THENCE SOUTHERLY, ALONG THE ARC OF SAID CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 09°50'34", A DISTANCE OF 1,014.18 FEET; THENCE LEAVING SAID WESTERLY RIGHT-OF-WAY, S 88°58'23" W; A DISTANCE OF 233.55 FEET TO THE EAST LINE OF AFORESAID SECTION 32; THENCE S 02°39'48" W ALONG SAID EAST LINE, A DISTANCE OF 2,541.26 FEET TO THE SOUTHEAST CORNER OF AFORESAID SECTION 32 AND THE POINT OF BEGINNING.

SUBJECT TO PERTINENT EASEMENTS, RIGHTS-OF-WAY AND RESTRICTIONS OF RECORD.

CONTAINING 12,504,925 SQUARE FEET OR 287.07 ACRES

REVISIONS:

1. PER COMMENTS. 08/31/17 GB

NOTES:

1. SEE SHEETS 2 & 3 OF 5 FOR SKETCH.

T:\Willow Trails\CDD\WT CDD.dwg 00-44277 GB

07/11/17

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METES AND BOUNDS, LEGAL DESCRIPTION AND SKETCH (EXHIBIT 2)
FOR
WILLOWS COMMUNITY DEVELOPMENT DISTRICT
LOCATED IN
SECTIONS 29, 32 & 33, TOWNSHIP 33 SOUTH, RANGE 18 EAST
SECTION 5, TOWNSHIP 34 SOUTH, RANGE 18 EAST
MANATEE COUNTY, FLORIDA



SHEET 5 of 5

EXHIBIT 3 - PROPOSED IMPROVEMENT COST

Exhibit 3
Proposed Improvement Cost (Series 2022 Project)
for Master Infrastructure within Phase II
for:
Willows Community Development District

Item	Description	
1	Roadways	\$ 2,974,268.74
2	Earthwork, Drainage, and Irrigation	\$ 7,985,309.12
3	Water & Wastewater	\$ 3,157,718.73
4	Landscape & Hardscape Features	\$ 1,460,925.63
5	Professional Fees, Design and Permitting	\$ 504,734.40
6	Consultants/Contingencies/Other	\$ 841,224.00
TOTAL		\$ 16,924,180.62

Notes:

- 1 Estimated individual element totals may vary and are only intended to establish a total estimated cost of improvements.
- 2 Earthwork is limited to District work within the ROW, common area, and to obtain positive drainage as required by permitting. Earthwork does not include grading of private lots, etc.

WILLOWS
COMMUNITY DEVELOPMENT DISTRICT

4B

WILLOWS COMMUNITY DEVELOPMENT DISTRICT

Second Supplemental Special Assessment
Methodology Report

August 26, 2022



Provided by:

Wrathell, Hunt and Associates, LLC
2300 Glades Road, Suite 410W
Boca Raton, FL 33431
Phone: 561-571-0010
Fax: 561-571-0013
Website: www.whhassociates.com

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1.0 Introduction

1.1 Purpose

This Second Supplemental Special Assessment Methodology Report (the “Second Supplemental Report”) was developed to supplement the Master Assessment Methodology Report (the “Master Report”) dated June 25, 2018 and to provide a supplemental financing plan and a supplemental special assessment methodology for a portion of the Willows Community Development District (the “District”) known as Phase 2 of the District (“Phase 2”), located in unincorporated Manatee County, Florida, as related to funding a portion of the costs of the acquisition and construction of public infrastructure improvements contemplated to be provided by the District to the Development.

1.2 Scope of the Report

This Second Supplemental Report presents the capital improvement project for financing a portion of the District’s public infrastructure improvements (the “Series 2022 Project”) as described in the Supplemental Engineer’s Report of ZNS Engineering, L.C. dated August 2022 (the “Second Supplemental Engineer’s Report”), as well as describes the method for the allocation of special benefits and the apportionment of special assessment debt resulting from the provision and funding of a portion of the Series 2022 Project.

1.3 Special Benefits and General Benefits

Improvements undertaken and funded by the District as part of the Series 2022 Project create special and peculiar benefits, different in kind and degree than general benefits, for properties within its borders as well as general benefits to the public at large. However, as discussed within this Second Supplemental Report, these general benefits are incidental in nature and are readily distinguishable from the special and peculiar benefits which accrue to property within the District. The District’s Series 2022 Project enables properties within its boundaries to be developed.

There is no doubt that the general public, property owners, and property outside the District will benefit from the provision of the Series 2022 Project. However, these benefits are only incidental since the Series 2022 Project is designed solely to provide special benefits peculiar to property within the District. Properties outside the District are not directly served by the Series 2022 Project and do not depend upon the Series 2022 Project to obtain or to maintain

their development entitlements. This fact alone clearly distinguishes the special benefits which District properties receive compared to those lying outside of the District's boundaries.

The Series 2022 Project will provide infrastructure and improvements which are all necessary in order to make the lands within the District developable and saleable. The installation of such improvements will cause the value of the developable and saleable lands within the District to increase by more than the sum of the financed cost of the individual components of the Series 2022 Project. Even though the exact value of the benefits provided by the Series 2022 Project is hard to estimate at this point, it is without doubt greater than the costs associated with providing same.

1.4 Organization of the Report

Section Two describes the development program as proposed by the Developer, as defined below.

Section Three provides a summary of the Series 2022 Project as determined by the District Engineer.

Section Four discusses the current financing program for the District.

Section Five discusses the special assessment methodology for the District that was introduced in the Master Report and its application to the current financing program for the District.

2.0 Development Program

2.1 Overview

The District serves the Willows development (the "Development" or "Willows"), a master planned, residential development located in unincorporated Manatee County, Florida. The land within the District consists of approximately 287.07 +/- acres and is generally located north of Experimental Farm Road (49th St. E.), south of Erie Road (69th St. E.), between Ellenton Gillette Road and I-75. The initial Supplemental Engineers Report dated March of 2019 describes the project area for Phase 1 which consists of 400 single-family units as developed. The Second Supplemental Engineers Report describes the remaining area consisting of the remaining 399 planned single-family units.

2.2 The Development Program

The development of Willows is anticipated to be conducted by the SFTEN, LLC or its associates (the “Developer”). Based upon the information provided by the Developer, the original development plan envisioned a total of 799 single-family units, although land use types and unit numbers may change throughout the development period. Phase 2 is, according to the Developer, projected to contain a total of 399 of the 799 single-family units, although land use types and unit numbers may change throughout the development period. For purposes of this report, the area comprising the first 400 units will be termed Phase 1. The lands which comprise the remaining 399 units will be termed Phase 2. Table 1 in the *Appendix* illustrates the development plan for Phase 2 of the District.

3.0 The Series 2022 Project

3.1 Overview

The public infrastructure costs to be funded by the District are described by the District Engineer in the Second Supplemental Engineer's Report. Only public infrastructure that may qualify for bond financing by the District under Chapter 190, Florida Statutes and under the Internal Revenue Code of 1986, as amended, was included in these estimates.

3.2 Series 2022 Project

The Series 2022 Project needed to serve the Development is projected to consist of roadways, earthwork, drainage & irrigation, water & wastewater, landscape & hardscape features, professional fees, design and permitting and consultants/ contingencies/ other as set forth in more detail in the Second Supplemental Engineer's Report.

Even though the infrastructure included in the Series 2022 Project will be constructed in stages, it will comprise an interrelated system of improvements, which means that all of the improvements will serve the entire District and improvements will be interrelated such that they will reinforce one another. At the time of this writing, the total costs of the Series 2022 Project are estimated at \$16,924,180.62. Table 2 in the *Appendix* illustrates the specific components of the Series 2022 Project and their costs.

4.0 Financing Program

4.1 Overview

As noted above, the District is embarking on a program of capital improvements which will facilitate the development of lands within Phase 2 of the District. Generally, construction of public improvements is either funded by the Developer and then acquired by the District or funded directly by the District. The choice of the exact mechanism for providing public infrastructure has not yet been made at the time of this writing, and the District may either acquire the public infrastructure from the Developer or construct it, or even partly acquire it and partly construct it.

The District intends to issue \$9,670,000 in par amount of Special Assessment Revenue Bonds, Series 2022 (Assessment Area Two), (the "Series 2022 Bonds") to fund \$8,868,440.50 in Series 2022 Project costs. Additional improvements will be contributed to the District at no cost to the District either by developer contribution or under a completion agreement that will be entered into by the Developer and the District.

4.2 Types of Bonds Proposed

The financing plan for the District provides for the issuance of the Bonds in the principal amount of \$9,670,000 to finance Series 2022 Project costs of \$8,868,440.50. The Series 2022 Bonds will be structured to be amortized in 30 annual installments following a capitalized interest period ending of three (3) months. Interest payments on the Series 2022 Bonds will be made every May 1 and November 1 and principal payments on the Series 2022 Bonds will be made every May 1 or November 1.

In order to finance the improvement costs valued at \$8,868,440.50, the District would need to borrow more funds and incur indebtedness in the total amount of \$9,670,000. The difference is comprised of debt service reserve, capitalized interest, and costs of issuance, including the underwriter's discount. Preliminary sources and uses of funding for the Series 2022 Bonds are presented in Table 3 in the *Appendix*.

5.0 Assessment Methodology

5.1 Overview

The issuance of the Series 2022 Bonds provides the District with funds necessary to construct/acquire a portion of the infrastructure improvements which are part of the Series 2022 Project outlined in *Section 3.2* and described in more detail by the District Engineer in the Second Supplemental Engineer's Report. These improvements lead to special and general benefits, with special benefits accruing to properties within the boundaries of Phase 2 of the District. General benefits accrue to areas outside the District, and being only incidental in nature. The debt incurred in financing the public infrastructure will be paid off by assessing properties that derive special and peculiar benefits from the Series 2022 Project within Phase 2 of the District. All properties that receive special benefits from the Series 2022 Project will be assessed for their fair share of the debt issued in order to finance the Series 2022 Project.

5.2 Benefit Allocation

The current development plan for Phase 2 of the District envisions the development of a total of 399 single-family units, although unit numbers and land use types may change throughout the development period.

The public infrastructure included in the Series 2022 Project will comprise an interrelated system of improvements, which means that all of the improvements will serve the entire District and such public improvements will be interrelated such that they will reinforce each other and their combined benefit will be greater than the sum of their individual benefits. All of the land uses within the District will benefit from each infrastructure improvement category, as the improvements provide basic infrastructure to all land within the District and benefit all land within the District as an integrated system of improvements.

As stated previously, the public infrastructure improvements included in the Series 2022 Project have a logical connection to the special and peculiar benefits received by the land within Phase 2 of the District, as without such improvements, the development of the properties within Phase 2 would not be possible. Based upon the connection between the improvements and the special and peculiar benefits to the land within Phase 2, the District can assign or allocate a portion of the District's debt through the imposition of non-ad valorem assessments, to the land receiving such special and

peculiar benefits. Even though these special and peculiar benefits are real and ascertainable, the precise amount of the benefit cannot yet be calculated with mathematical certainty. However, such benefit is more valuable than the cost of, or the actual non-ad valorem assessment amount levied on that parcel.

The proposed Series 2022 Project will have 399 single-family units. Following the determinations made in the Master Report and the First Supplemental Report, this Second Supplemental Report proposes to allocate the benefit associated with the Series 2022 Project to units within Phase 2 uniformly in proportion to the density of development and intensity of use of infrastructure as measured by a standard unit called an Equivalent Residential Unit ("ERU") in Phase 2 of the District. Table 4 in the *Appendix* illustrates the ERU weight that is proposed to be assigned to the land use contemplated to be developed within Phase 2 based on the similar density of development and the intensity of use of infrastructure, the total ERU counts for each land use category, and the share of the benefit received by each land use.

This Second Supplemental Report assigns each unit an ERU weight of 1.00 (the base weight). Based on the information provided in the Second Supplemental Engineer's Report, all units will have similar characteristics, giving each unit an ERU weight of 1.00. As the exact amount of the benefit and appreciation is not possible to be calculated at this time, the use of ERU measures serves as a reasonable approximation of the relative amount of benefit received from the Series 2022 Project.

Table 5 in the *Appendix* presents the cost allocation in accordance with the ERU benefit allocation method presented in Table 4 as well as the costs to be contributed by the Developer. Table 6 in the *Appendix* presents the apportionment of the assessment associated with the Series 2022 Bonds (the "Bond Assessment") in accordance with the ERU benefit allocation method presented in Table 4. Table 6 also presents the annual levels of the Series 2022 Project annual debt service assessments per unit.

5.3 Assigning Bond Assessment

As the land in Phase 2 is not yet platted for its intended final use and the precise location of the different products by lot or parcel is unknown, the Bond Assessment will initially be levied on all of the land in Phase 2 on an equal pro-rata gross acre basis and thus the total bonded debt in the amount of \$9,670,000 will be preliminarily

levied on approximately 287.07 +/- gross acres at a rate of \$33,685.16 per acre.

When the land is platted, Bond Assessment will be allocated to each platted parcel on a first platted-first assigned basis based on the planned use for that platted parcel as reflected in Table 6 in the *Appendix*. Such allocation of Bond Assessment from unplatted gross acres to platted parcels will reduce the amount of Bond Assessment levied on unplatted gross acres within Phase 2 of the District.

Further, to the extent that any parcel of land which has not been platted is sold to another developer or builder, the Bond Assessment will be assigned to such parcel at the time of the sale based upon the development rights associated with such parcel that are transferred from seller to buyer. The District shall provide an estoppel or similar document to the buyer evidencing the amount of Bond Assessment transferred at sale.

5.4 Lienability Test: Special and Peculiar Benefit to the Property

As first discussed in *Section 1.3*, Special Benefits and General Benefits, improvements undertaken by the District create special and peculiar benefits to certain properties within Phase 2 of the District. The District's improvements benefit assessable properties within Phase 2 and accrue to all such assessable properties on an ERU basis.

Improvements undertaken by the District can be shown to be creating special and peculiar benefits to the property within Phase 2. The special and peculiar benefits resulting from each improvement are:

- a. added use of the property;
- b. added enjoyment of the property;
- c. decreased insurance premiums; and
- d. increased marketability and value of the property.

The improvements which are part of the Series 2022 Project make the land in Phase 2 developable and saleable and when implemented jointly as parts of the Series 2022 Project, provide special and peculiar benefits which are greater than the benefits of any single category of improvements. These special and peculiar benefits are real and ascertainable, but not yet capable of being calculated and assessed in terms of numerical value; however, such benefits are more valuable than either the cost of, or the actual

assessment levied for, the improvement or debt allocated to the parcel of land.

5.5 Lienability Test: Reasonable and Fair Apportionment of the Duty to Pay

A reasonable estimate of the proportion of special and peculiar benefits received from the improvements is delineated in Table 4 (expressed as ERU factors) in the *Appendix*.

The apportionment of the assessments is fair and reasonable because it was conducted on the basis of consistent application of the methodology described in *Section 5.2* across all assessable property within Phase 2 of the District according to reasonable estimates of the special and peculiar benefits derived from the Series 2022 Project.

Accordingly, no acre or parcel of property within Phase 2 will be liened for the payment of any non-ad valorem special assessment more than the determined special benefit peculiar to that property.

5.6 True-Up Mechanism

The assessment methodology described herein is based on conceptual information obtained from the Developer prior to construction. As development occurs it is possible that the number of ERUs may change. The mechanism for maintaining the methodology over the changes is referred to as true-up.

This mechanism is to be utilized to ensure that the Bond Assessment on a per ERU basis never exceeds the initially allocated assessment as contemplated in the adopted assessment methodology. Bond Assessment per ERU preliminarily equals \$24,235.59 (\$9,670,000 in Bond Assessment divided by 399 ERUs) and may change based on the final bond sizing. If such changes occur, the methodology is applied to the land based on the number of and type of units of particular land uses within each and every parcel as signified by the number of ERUs.

As the land in Phase 2 of the District is platted, the Bond Assessment is assigned to platted parcels based on the figures in Table 6 in the *Appendix*. If as a result of platting and apportionment of the Bond Assessment to the platted parcels, the Bond Assessment per ERU for land that remains unplatted remains equal to \$24,235.59, then no true-up adjustment will be necessary.

If as a result of platting and apportionment of the Bond Assessment to the platted parcels the Bond Assessment per ERU for land that remains unplatted equals less than \$24,235.59 (either as a result of a larger number of units, different units or both), then the per ERU Bond Assessment for all parcels within Phase 2 will be lowered if that state persists at the conclusion of platting of all land within Phase 2 of the District.

If, in contrast, as a result of platting and apportionment of the Bond Assessment to the platted parcels, the Bond Assessment per ERU for land that remains unplatted equals more than \$24,235.59 (either as a result of a smaller number of units, different units or both), taking into account any future development plans for the unplatted lands – in the District’s sole discretion and to the extent such future development plans are feasible, consistent with existing entitlements and governmental requirements, and reasonably expected to be implemented, then the difference in Bond Assessment plus accrued interest will be collected from the owner of the property which platting caused the increase of assessment per ERU to occur, in accordance with the assessment resolution and/or a true-up agreement to be entered into between the District and the Developer, which will be binding on assignees.

The owner(s) of the property will be required to immediately remit to the Trustee for redemption a true-up payment equal to the difference between the actual Bond Assessment per ERU and \$24,235.59, multiplied by the actual number of ERUs plus accrued interest to the next succeeding interest payment date on the Bonds, unless such interest payment date occurs within 45 days of such true-up payment, in which case the accrued interest shall be paid to the following interest payment date (or such other time as set forth in the supplemental indenture for the applicable series of Bonds secured by the Bond Assessment).

In addition to platting of property within Phase 2, any planned sale of an unplatted parcel to another builder or developer will cause the District to initiate a true-up test as described above to test whether the amount of the Bond Assessment per ERU for land that remains unplatted within the District remains equal to \$24,235.59. The test will be based upon the development rights as signified by the number of ERUs associated with such parcel that are transferred from seller to buyer. The District shall provide an estoppel or similar document to the buyer evidencing the amount of Bond Assessment transferred at sale.

5.7 Preliminary Assessment Roll

Based on the per gross acre assessment proposed in Section 5.2, the Bond Assessment of \$9,670,000 is proposed to be levied over the area described in Exhibit "A". Excluding any capitalized interest period, debt service assessment shall be paid in thirty (30) annual installments.

6.0 Additional Stipulations

6.1 Overview

Wrathell, Hunt and Associates, LLC was retained by the District to prepare a methodology to fairly allocate the special assessments related to the District's Project. Certain financing, development and engineering data was provided by members of District Staff and/or the Developer. The allocation methodology described herein was based on information provided by those professionals. Wrathell, Hunt and Associates, LLC makes no representations regarding said information transactions beyond restatement of the factual information necessary for compilation of this Second Supplemental Report. For additional information on the Series 2022 Bond structure and related items, please refer to the Offering Statement associated with this transaction.

Wrathell, Hunt and Associates, LLC does not represent the District as a Municipal Advisor or Securities Broker nor is Wrathell, Hunt and Associates, LLC registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as amended. Similarly, Wrathell, Hunt and Associates, LLC does not provide the District with financial advisory services or offer investment advice in any form.

7.0 Appendix

Table 1

Willows

Community Development District

Development Plan

Product Type	Total Units
SF 40'	121
SF 50'	278
Total	399

Table 2

Willows

Community Development District

2022 Project Area - Capital Improvement Program

Improvement	Cost
Roadways	\$2,974,268.74
Earthwork, Drainage and Irrigation	\$7,985,309.12
Water & Wastewater	\$3,157,718.73
Landscape & Hardscape Features	\$1,460,925.63
Professional Fees, Design & Permitting	\$504,734.40
Consultants/Contingencies/Other	\$841,224.00
Total	\$16,924,180.62

Table 3

Willows

Community Development District

Sources and Uses of Funds

Sources

Bond Proceeds:	
Par Amount	\$9,670,000.00
Total Sources	\$9,670,000.00

Uses

Project Fund Deposits:	
Project Fund	\$8,868,440.50
Other Fund Deposits:	
Debt Service Reserve Fund	\$323,547.00
Capitalized Interest Fund	\$84,612.50
Delivery Date Expenses:	
Costs of Issuance	\$393,400.00
Total Uses	\$9,670,000.00

Table 4

Willows

Community Development District

Benefit Allocation

Product Type	Total Units	ERU Weight	Total ERU	Percent Share of Total
SF 40'	121	1.00	121	30.33%
SF 50'	278	1.00	278	69.67%
Total	278		399.00	100.00%

Table 5

Willows

Community Development District

2022 Project Area - Capital Improvement Program Cost Allocation

Product Type	Total Units	Total Cost Allocation*	Total Developer Contribution	Total Cost Financed with Bonds
SF 40'	121	\$4,414,686.38	\$2,101,346.41	\$2,313,339.97
SF 50'	278	\$12,509,494.24	\$5,954,393.71	\$6,555,100.53
Total	399	\$16,924,180.62	\$8,055,740.12	\$8,868,440.50

* Please note that cost allocations to units herein are based on the ERU benefit allocation illustrated in Table 4

Table 6

Willows

Community Development District

Bond Assessment Apportionment

Product Type	Total Units	Total Bond Assessment Apportionment	Bond Assessment Apportionment per Unit	Annual Bond Assessment Debt Service per Unit - paid in March ¹	Annual Bond Assessment Debt Service per Unit - paid in November ²
SF 40'	121	\$2,522,427.42	\$20,846.51	\$1,498.07	\$1,438.14
SF 50'	278	\$7,147,572.58	\$25,710.69	\$1,847.62	\$1,773.71
Total	399	\$9,670,000.00			

¹ Includes costs of collection and assumes payment in **March**

² Includes costs of collection and assumes payment in **November**

Exhibit "A"

Series 2022 Bond Assessment in the total estimated amount of \$ 9,670,000 are proposed to be levied uniformly over the area described in the following pages:

DESCRIPTION:

A PARCEL OF LAND LOCATED IN SECTIONS 29, 32 & 33, TOWNSHIP 33 SOUTH, RANGE 18 EAST AND SECTION 5, TOWNSHIP 34 SOUTH, RANGE 18 EAST, MANATEE COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOW:

BEGIN AT THE NORTHEAST CORNER OF SAID SECTION 5; THENCE S 00°27'36" E, A DISTANCE OF 383.77 FEET; THENCE S 89°32'57" W, A DISTANCE OF 179.17 FEET; THENCE NORTHWESTERLY AND WESTERLY, ALONG THE CENTERLINE OF A DITCH, THE FOLLOWING NINETEEN (19) COURSES: 1) N 33°03'33" W, A DISTANCE OF 90.06 FEET; 2) THENCE N 35°45'01" W, A DISTANCE OF 168.07 FEET; 3) THENCE N 50°45'59" W, A DISTANCE OF 89.15 FEET; 4) THENCE N 48°37'03" W, A DISTANCE OF 46.88 FEET; 5) THENCE N 55°38'00" W, A DISTANCE OF 46.64 FEET; 6) THENCE N 62°57'01" W, A DISTANCE OF 96.56 FEET; 7) THENCE N 64°58'57" W, A DISTANCE OF 57.53 FEET; 8) THENCE N 71°59'29" W, A DISTANCE OF 69.10 FEET; 9) THENCE N 78°01'01" W, A DISTANCE OF 61.42 FEET; 10) THENCE N 89°28'40" W, A DISTANCE OF 65.94 FEET; 11) THENCE S 81°46'10" W, A DISTANCE OF 114.52 FEET; 12) THENCE S 79°42'58" W, A DISTANCE OF 76.33 FEET; 13) THENCE N 83°34'04" W, A DISTANCE OF 38.00 FEET; 14) THENCE S 83°25'34" W, A DISTANCE OF 142.65 FEET; 15) THENCE S 89°07'43" W, A DISTANCE OF 127.43 FEET; 16) THENCE S 83°50'40" W, A DISTANCE OF 184.41 FEET; 17) THENCE N 82°55'35" W, A DISTANCE OF 49.34 FEET; 18) THENCE N 82°13'21" W, A DISTANCE OF 63.63 FEET; 19) THENCE N 62°16'15" W, A DISTANCE OF 10.57 FEET TO THE END OF SAID CENTERLINE AND A POINT ON THE NORTH LINE OF AFORESAID SECTION 5; THENCE ALONG AFORESAID NORTH LINE OF SECTION 5, THE FOLLOWING TWO (2) COURSES: 1) S 89°58'05" W, A DISTANCE OF 1,070.77 FEET; 2) THENCE S 89°52'31" W, A DISTANCE OF 1,270.05 FEET TO A POINT ON THE EASTERLY MAINTAINED RIGHT-OF-WAY LINE OF ELLENTON GILLETTE ROAD (STATE ROAD No. 683); THENCE N 01°52'25" E ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 1,019.54 FEET; THENCE S 89°33'03" E, A DISTANCE OF 420.84 FEET; THENCE N 01°39'27" E, A DISTANCE OF 210.03 FEET; THENCE S 89°33'26" E, A DISTANCE OF 223.54 FEET; THENCE N 01°40'52" E, A DISTANCE OF 13.09 FEET; THENCE N 89°11'27" E, A DISTANCE OF 660.15 FEET; THENCE S 80°50'08" E, A DISTANCE OF 80.36 FEET; THENCE N 06°10'54" E, A DISTANCE OF 204.45 FEET; THENCE N 00°42'20" W, A DISTANCE OF 1,024.46 FEET; THENCE N 88°13'07" E, A DISTANCE OF 1,285.42 FEET; THENCE N 02°12'30" E ALONG THE WEST LINE OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF AFORESAID SECTION 32, A DISTANCE OF 2,589.36 FEET; THENCE S 89°38'32" E ALONG THE NORTH LINE OF THE NORTHEAST 1/4 OF AFORESAID SECTION 32, A DISTANCE OF 348.44 FEET; THENCE N 00°26'33" E, A DISTANCE OF 671.49 FEET; THENCE N 89°45'02" W ALONG THE SOUTH LINE OF THE NORTH 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF AFORESAID SECTION 29, A DISTANCE OF 346.20 FEET TO THE SOUTHWEST CORNER OF SAID NORTH 1/2; THENCE NORTHERLY, ALONG THE WEST LINE OF SAID NORTH 1/2, THE FOLLOWING TWO (2) COURSES: 1) N 00°35'45" E, A DISTANCE OF 192.41 FEET; 2) THENCE N 00°43'02" E, A DISTANCE OF 453.58 FEET TO A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF ERIE ROAD, AS DESCRIBED AND RECORDED IN OFFICIAL RECORDS BOOK 892, PAGE 407 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE S 89°56'34" E ALONG SAID SOUTH RIGHT-OF-WAY LINE, A DISTANCE OF 251.45 FEET; THENCE S 00°08'06" W, A DISTANCE OF 60.63 FEET; THENCE S 89°58'07" E, A DISTANCE OF 98.15 FEET; THENCE S 00°05'22" W, A DISTANCE OF 196.44 FEET; THENCE S 89°53'38" E, A DISTANCE OF 180.60 FEET; THENCE S 00°11'25" W, A DISTANCE OF 390.71 FEET TO A POINT ON

cont.

REVISIONS:

- 1. PER COMMENTS 08/31/17 GB

NOTES:

- 1. SEE SHEETS 2 & 3 OF 5 FOR SKETCH.

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07/11/17

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METES AND BOUNDS, LEGAL DESCRIPTION AND SKETCH (EXHIBIT 2)
FOR
WILLOWS COMMUNITY DEVELOPMENT DISTRICT
LOCATED IN
SECTIONS 29, 32 & 33, TOWNSHIP 33 SOUTH, RANGE 18 EAST
SECTION 5, TOWNSHIP 34 SOUTH, RANGE 18 EAST
MANATEE COUNTY, FLORIDA



cont.

THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF AFORESAID SECTION 29; THENCE S 89°41'02" E ALONG SAID NORTH LINE, A DISTANCE OF 351.42 FEET; THENCE S 00°26'38" W, A DISTANCE OF 361.99 FEET; THENCE S 23°42'37" E, A DISTANCE OF 109.16 FEET TO A POINT ON A PARCEL OF LAND CONVEYED FOR A CEMETERY AS DESCRIBED AND RECORDED IN DEED BOOK 184, PAGE 367 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE SOUTHERLY AND EASTERLY ALONG SAID PARCEL, THE FOLLOWING TWO (2) COURSES: 1) S 00°25'29" W, A DISTANCE OF 210.31 FEET TO A POINT ON THE NORTH LINE OF AFORESAID NORTHEAST 1/4 OF SECTION 29, TOWNSHIP 33 SOUTH, RANGE 18 EAST; 2) S 89°38'32" E ALONG SAID SOUTH LINE, A DISTANCE OF 420.05 FEET TO THE NORTHEAST CORNER OF AFORESAID SECTION 32 AND A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF I-75 (STATE ROAD No. 93); THENCE SOUTHERLY, ALONG SAID WESTERLY RIGHT-OF-WAY LINE, THE FOLLOWING FOUR (4) COURSES: 1) S 00°48'50" E, A DISTANCE OF 723.30 FEET; 2) THENCE S 01°22'08" E, A DISTANCE OF 600.16 FEET; 3) THENCE S 00°15'44" E, A DISTANCE OF 201.14 FEET TO A POINT ON THE ARC OF A NON-TANGENTIAL CURVE TO THE LEFT, WHOSE RADIUS POINT BEARS N 89°46'32" E, A DISTANCE OF 5,903.58 FEET; 4) THENCE SOUTHERLY, ALONG THE ARC OF SAID CURVE TO THE LEFT, THROUGH A CENTRAL ANGLE OF 09°50'34", A DISTANCE OF 1,014.18 FEET; THENCE LEAVING SAID WESTERLY RIGHT-OF-WAY, S 88°58'23" W; A DISTANCE OF 233.55 FEET TO THE EAST LINE OF AFORESAID SECTION 32; THENCE S 02°39'48" W ALONG SAID EAST LINE, A DISTANCE OF 2,541.26 FEET TO THE SOUTHEAST CORNER OF AFORESAID SECTION 32 AND THE POINT OF BEGINNING.

SUBJECT TO PERTINENT EASEMENTS, RIGHTS-OF-WAY AND RESTRICTIONS OF RECORD.

CONTAINING 12,504,925 SQUARE FEET OR 287.07 ACRES

REVISIONS:

1. PER COMMENTS. 08/31/17 GB

NOTES:

1. SEE SHEETS 2 & 3 OF 5 FOR SKETCH.

T:\Willow Trails\CDD\WT CDD.dwg 00-44277 GB

07/11/17

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METES AND BOUNDS, LEGAL DESCRIPTION AND SKETCH (EXHIBIT 2)
FOR
WILLOWS COMMUNITY DEVELOPMENT DISTRICT
LOCATED IN
SECTIONS 29, 32 & 33, TOWNSHIP 33 SOUTH, RANGE 18 EAST
SECTION 5, TOWNSHIP 34 SOUTH, RANGE 18 EAST
MANATEE COUNTY, FLORIDA



SHEET 5 OF 5

WILLOWS
COMMUNITY DEVELOPMENT DISTRICT

4C

RESOLUTION NO. 2022-10

A RESOLUTION DELEGATING TO THE CHAIRMAN OF THE BOARD OF SUPERVISORS OF WILLOWS COMMUNITY DEVELOPMENT DISTRICT (THE "DISTRICT") THE AUTHORITY TO APPROVE THE SALE, ISSUANCE AND TERMS OF SALE OF WILLOWS COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2022 (ASSESSMENT AREA TWO), AS A SINGLE SERIES OF BONDS UNDER THE MASTER TRUST INDENTURE (THE "SERIES 2022 BONDS") IN ORDER TO FINANCE THE ASSESSMENT AREA TWO PROJECT; ESTABLISHING THE PARAMETERS FOR THE PRINCIPAL AMOUNTS, INTEREST RATES, MATURITY DATES, REDEMPTION PROVISIONS AND OTHER DETAILS THEREOF; APPROVING THE FORM OF AND AUTHORIZING THE CHAIRMAN TO ACCEPT THE BOND PURCHASE CONTRACT FOR THE SERIES 2022 BONDS; APPROVING A NEGOTIATED SALE OF THE SERIES 2022 BONDS TO THE UNDERWRITER; RATIFYING THE MASTER TRUST INDENTURE AND APPROVING THE FORM OF SECOND SUPPLEMENTAL TRUST INDENTURE AND AUTHORIZING THE EXECUTION AND DELIVERY THEREOF BY CERTAIN OFFICERS OF THE DISTRICT; APPOINTING A TRUSTEE, PAYING AGENT AND REGISTRAR FOR THE SERIES 2022 BONDS; APPROVING THE FORM OF THE SERIES 2022 BONDS; APPROVING THE FORM OF AND AUTHORIZING THE USE OF THE PRELIMINARY LIMITED OFFERING MEMORANDUM AND LIMITED OFFERING MEMORANDUM RELATING TO THE SERIES 2022 BONDS; APPROVING THE FORM OF THE CONTINUING DISCLOSURE AGREEMENT RELATING TO THE SERIES 2022 BONDS; AUTHORIZING CERTAIN OFFICERS OF THE DISTRICT TO TAKE ALL ACTIONS REQUIRED AND TO EXECUTE AND DELIVER ALL DOCUMENTS, INSTRUMENTS AND CERTIFICATES NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE SERIES 2022 BONDS; AUTHORIZING THE VICE CHAIRMAN AND ASSISTANT SECRETARIES TO ACT IN THE STEAD OF THE CHAIRMAN OR THE SECRETARY, AS THE CASE MAY BE; SPECIFYING THE APPLICATION OF THE PROCEEDS OF THE SERIES 2022 BONDS; AUTHORIZING CERTAIN OFFICERS OF THE DISTRICT TO TAKE ALL ACTIONS AND ENTER INTO ALL AGREEMENTS REQUIRED IN CONNECTION WITH THE ACQUISITION AND CONSTRUCTION OF THE ASSESSMENT AREA TWO PROJECT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of Supervisors of Willows Community Development District (the "Board" and the "District," respectively) has determined to proceed at this time with the sale and issuance of Willows Community Development District

Special Assessment Revenue Bonds, Series 2022 (Assessment Area Two) (the "Series 2022 Bonds") to be issued under and pursuant to a Master Trust Indenture, dated as of April 1, 2019 (the "Master Indenture"), between the District and U.S. Bank Trust Company, National Association, Fort Lauderdale, Florida, as successor in interest to U.S. Bank National Association, as trustee (the "Trustee"), as amended and supplemented by a Second Supplemental Trust Indenture to be dated as of the first day of the first month and year in which the Series 2022 Bonds are issued thereunder (the "Supplemental Indenture" and together with the Master Indenture, the "Indenture") between the District and the Trustee, in order to finance a portion of the Costs of the Assessment Area Two Project;

WHEREAS, the Board has determined that given the nature of the market, the necessity for moving rapidly and the nature of the security for the Series 2022 Bonds, it is necessary and desirable for the Series 2022 Bonds to be sold by negotiated sale rather than competitive bid;

WHEREAS, the Board has received a proposal from FMSbonds, Inc. (the "Underwriter") for the purchase of the Series 2022 Bonds within parameters to be established by the Board and the Board has determined that authorization of the Chairman or other designated person to enter into a Bond Purchase Contract (the "Purchase Contract") in substantially the form attached hereto as Exhibit A for the sale of the Series 2022 Bonds to the Underwriter within the Parameters (hereinafter defined) herein set forth is in the best interests of the District for the reasons hereafter indicated; and

WHEREAS, in conjunction with the sale and issuance of the Series 2022 Bonds, it is necessary to approve the form of the Supplemental Indenture, to establish the parameters for the delegated award of the Series 2022 Bonds as set forth in Schedule I attached hereto (the "Parameters"), to authorize the Chairman to approve the use of the Preliminary Limited Offering Memorandum relating to the Series 2022 Bonds and the form of the final Limited Offering Memorandum, to approve the form of the Series 2022 Bonds and to provide for various other matters with respect to the Series 2022 Bonds and the undertaking of the Assessment Area Two Project.

NOW, THEREFORE, BE IT RESOLVED that:

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

2. Award. The Purchase Contract in the form attached hereto as Exhibit A is hereby approved in substantial form and the sale of the Series 2022 Bonds to the Underwriter upon the terms and conditions therein set forth, but within the Parameters, is hereby approved. The Chairman is hereby authorized and directed to

execute and deliver the Purchase Contract on behalf of the District, with such changes, additions, deletions and insertions as shall be approved by the official executing such Purchase Contract, which approval shall be conclusively evidenced by the execution and delivery thereof. In the absence or unavailability of the Chairman, the Vice Chairman is authorized and directed to execute the Purchase Contract, and in the absence or unavailability of the Vice Chairman, any other member of the Board is authorized and directed to execute the Purchase Contract. The Purchase Contract, when executed and delivered by the District and the Underwriter, shall be the legal, valid and binding obligation of the District, enforceable in accordance with its terms.

3. Negotiated Sale. The Board hereby determines that a negotiated sale of the Series 2022 Bonds to the Underwriter is in the best interests of the District because the market for instruments such as the Series 2022 Bonds is limited, because of prevailing market conditions and because the delays caused by soliciting competitive bids could adversely affect the District's ability to issue and deliver the Series 2022 Bonds.

4. Approval of Form of Supplemental Indenture; Ratification of Master Indenture; Appointment of Trustee, Paying Agent and Registrar. Attached hereto as Exhibit B is the form of Supplemental Indenture, which is hereby authorized and approved, subject to such changes, additions, deletions and insertions as shall be approved by the Chairman, which approval shall be conclusively evidenced by the execution thereof. The Chairman is hereby authorized to execute and the Secretary is authorized to attest the Supplemental Indenture and the Chairman is hereby authorized to deliver to the Trustee the Supplemental Indenture which, when executed and delivered by the Trustee, shall constitute a legal, valid and binding obligation of the District, enforceable in accordance with its terms. The Master Indenture as executed and delivered and the appointment of U.S. Bank Trust Company, National Association, as successor Trustee, Paying Agent and Registrar under the Master Indenture is hereby ratified and confirmed and U.S. Bank Trust Company, National Association, is hereby appointed as Trustee, Paying Agent and Registrar under the Supplemental Indenture.

5. Description of Series 2022 Bonds. The Series 2022 Bonds shall be dated as of their date of delivery and may be issued in one or more Series having such details as shall be set forth in the Purchase Contract and as reflected in the Supplemental Indenture, but within the Parameters. The Series 2022 Bonds may be signed by the manual or facsimile signature of the Chairman and attested by the manual or facsimile signature of the Secretary. The Series 2022 Bonds shall, subject to the Parameters, be subject to redemption on the terms, at the times and prices and in the manner provided in the Purchase Contract and in the form of Series 2022 Bonds attached to the Supplemental Indenture, which form is hereby approved, subject to such changes, additions, deletions and insertions as shall be approved by the Chairman, which approval shall be conclusively evidenced by the execution

thereof. The Chairman is hereby authorized to execute and the Secretary is authorized to attest and seal the Series 2022 Bonds and the Chairman is hereby authorized to deliver to the Trustee for authentication and delivery to the Underwriter upon payment by the Underwriter of the purchase price therefor, the Series 2022 Bonds which, when authenticated and delivered by the Trustee, shall be legal, valid and binding obligations of the District, enforceable in accordance with their terms.

6. Approval of Form of Preliminary Limited Offering Memorandum and Limited Offering Memorandum; Approval of Form of Continuing Disclosure Agreement. The Chairman is hereby authorized to approve the form and content of the Preliminary Limited Offering Memorandum, which is attached hereto as Exhibit C (the "Preliminary Limited Offering Memorandum") with such changes, additions, deletions and insertions as shall be approved by the Chairman prior to its distribution and the final form of which is to be dated the date of execution and delivery of the Purchase Contract (the "Limited Offering Memorandum") relating to the Series 2022 Bonds. The Chairman is hereby authorized to execute on behalf of the District such Limited Offering Memorandum with such changes, additions, deletions and insertions as the Chairman may approve (such approval to be conclusively evidenced by the execution of the Limited Offering Memorandum), and to deliver such Limited Offering Memorandum to the Underwriter in sufficient quantities for use by the Underwriter in marketing the Series 2022 Bonds. The Chairman is hereby authorized to deem "final" the Preliminary Limited Offering Memorandum, as of its date, for the purposes and within the meaning of Rule 15c2-12 of the Securities and Exchange Commission (except for information concerning the offering prices, interest rates, selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings or other terms dependent upon such matters, and except for such technical and conforming changes which shall be approved by the Chairman which approval shall be evidenced by the execution thereof).

The Continuing Disclosure Agreement relating to the Series 2022 Bonds in the form attached hereto as Exhibit D is hereby approved, subject to such changes, additions, deletions and insertions as shall be approved by the Chairman, which approval shall be conclusively evidenced by the execution thereof. The Chairman is hereby authorized to execute and the Secretary is authorized to attest the Continuing Disclosure Agreement which, when executed and delivered by the District, shall be the legal, valid and binding obligation of the District, enforceable in accordance with its terms.

7. Open Meetings. It is hereby found and determined that all official acts of this Board concerning and relating to the issuance, sale, and delivery of the Series 2022 Bonds, including but not limited to adoption of this Resolution, were taken in open meetings of the members of the Board and all deliberations of the

members of the Board that resulted in such official acts were in meetings open to the public, in compliance with all legal requirements including, but not limited to, the requirements of Section 286.011, Florida Statutes.

8. Other Actions. The Chairman, the Secretary, and all other members, officers and employees of the Board and the District are hereby authorized and directed to take all actions necessary or desirable in connection with the issuance and delivery of the Series 2022 Bonds and the consummation of all transactions in connection therewith, including the execution of all certificates, documents, papers, and agreements necessary to the undertaking and fulfillment of all transactions referred to in or contemplated by the Preliminary Limited Offering Memorandum, the Limited Offering Memorandum, the Indenture, this Resolution, the Continuing Disclosure Agreement and the Purchase Contract, in all cases within the Parameters.

The Vice Chairman is hereby authorized to act in the stead of the Chairman in any undertaking authorized or required of the Chairman hereunder and any Assistant Secretary is hereby authorized to act in the stead of the Secretary in any undertaking authorized or required of the Secretary hereunder.

9. Deposits to Funds and Accounts. The Trustee is hereby authorized and directed to apply the proceeds of the Series 2022 Bonds in the amounts and in the manner set forth in Section 402 of the Supplemental Indenture.

10. Undertaking of the Assessment Area Two Project; Execution and Delivery of Other Instruments. The Board hereby authorizes the undertaking of the Assessment Area Two Project and authorizes and directs the District staff and Consulting Engineer to proceed with due diligence to the completion thereof in accordance with the Indenture and as described in the Limited Offering Memorandum. The Board hereby authorizes the Chairman and the Secretary to execute and deliver, receive or enter into such agreements, contracts, documents, instruments, certificates and proceedings incident thereto or necessary in order to effect the undertaking of the Assessment Area Two Project and the issuance, sale and delivery of the Series 2022 Bonds, including but not limited to the execution and delivery of the DTC Letter of Representation.

11. Approval of Prior Actions. All actions taken to date by the members of the Board and the officers, agents and consultants of the District in furtherance of the issuance of the Series 2022 Bonds are hereby approved, confirmed and ratified.

12. Severability. If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or ineffective for any reason, the remainder of this Resolution shall continue in full force and effect, it being expressly hereby found and declared that the remainder of this Resolution would have been adopted despite the invalidity or ineffectiveness of such section, paragraph, clause or provision.

13. **Effective Date.** This Resolution shall take effect immediately upon its adoption.

PASSED in Public Session of the Board of Supervisors of Willows Community Development District, this 26th day of August, 2022.

**WILLOWS COMMUNITY
DEVELOPMENT DISTRICT**

Attest:

Secretary/Assistant Secretary

Chairman/Vice Chairman,
Board of Supervisors

Exhibit A – Form of Purchase Contract

Exhibit B – Form of Supplemental Indenture

Exhibit C – Form of Preliminary Limited Offering Memorandum

Exhibit D – Form of Continuing Disclosure Agreement

**SCHEDULE I
PARAMETERS**

Maximum Principal Amount:	Not to Exceed \$13,000,000
Maximum Coupon Rate:	Maximum Statutory Rate
Underwriting Discount:	Maximum 2.0%
Not to Exceed Maturity Date:	Maximum Allowed by Law
Redemption Provisions:	The Series 2022 Bonds shall be subject to redemption as set forth in the form of Series 2022 Bond attached to the form of Supplemental Indenture attached hereto.

Exhibit A – Form of Purchase Contract

Exhibit B – Form of Supplemental Indenture

Exhibit C – Form of Preliminary Limited Offering Memorandum

Exhibit D – Form of Continuing Disclosure Agreement

WILLOWS
COMMUNITY DEVELOPMENT DISTRICT

4CI

\$ _____
WILLOWS COMMUNITY DEVELOPMENT DISTRICT
(MANATEE COUNTY, FLORIDA)
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2022
(ASSESSMENT AREA TWO)

BOND PURCHASE CONTRACT

_____, 2022

Board of Supervisors
Willows Community Development District
Manatee County, Florida

Dear Ladies and Gentlemen:

FMSbonds, Inc. (the "Underwriter") offers to enter into this Bond Purchase Contract (the "Purchase Contract") with the Willows Community Development District (the "District"). The District is located entirely within Manatee County, Florida (the "County"). This offer of the Underwriter shall, unless accepted by the District, acting through its Board of Supervisors (the "Board"), expire at [4:00 P.M.] prevailing time within the jurisdiction of the District on the date hereof, unless previously withdrawn or extended in writing by the Underwriter. This Purchase Contract shall be binding upon the District and the Underwriter upon execution and delivery. Any capitalized word not defined herein shall have the meaning ascribed thereto in the Preliminary Limited Offering Memorandum (hereinafter defined). In conformance with Section 218.385, Florida Statutes, as amended, the Underwriter hereby delivers to the District the Disclosure and Truth-In-Bonding Statement attached hereto as Exhibit A.

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the District and the District hereby agrees to sell and deliver to the Underwriter, all (but not less than all) of its \$ _____ aggregate principal amount of Willows Community Development District Special Assessment Revenue Bonds, Series 2022 (Assessment Area Two) (the "Series 2022 Bonds"). The Series 2022 Bonds shall be dated their date of delivery and shall mature on the dates, shall bear interest at the rates, and shall be subject to redemption prior to maturity, all as provided in Exhibit B attached hereto. The purchase price for the Series 2022 Bonds shall be \$ _____ (representing the \$ _____ aggregate principal amount of the Series 2022 Bonds, [plus/less net original issue premium/discount of \$ _____ and] less an underwriter's discount of \$ _____) (such payment and delivery and the other actions contemplated hereby to take place at the time of such payment and delivery being hereinafter referred to as the "Closing").

2. The Series 2022 Bonds. The Series 2022 Bonds are to be issued by the District, 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, any successor statute thereto, the Florida Constitution, and other applicable provisions of law (the "Act"), by Ordinance No. 18-28 of the Board of County Commissioners of the County, enacted on June 12, 2018 and effective on _____, 2018 (the "Ordinance"). The Series 2022 Bonds are being issued pursuant to the Act and secured pursuant to the provisions of a Master Trust Indenture dated as of April 1, 2019 (the "Master Indenture"), as supplemented by a Second Supplemental Trust Indenture dated as of September 1, 2022 (the "Second Supplemental Indenture," and together with the Master Indenture, the "Indenture"), each by and between the District and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), and Resolution Nos. 2018-27 and 2022-[__] adopted by the Board of Supervisors of the District (the "Board") on September 18, 2018 and [August 26], 2022, respectively (collectively, the "Bond Resolution"). The Series 2022 Assessments, the revenues of which comprise the Series 2022 Pledged Revenues for the Series 2022 Bonds, have been levied by the District on those lands within the District specially benefited by the Assessment Area Two Project pursuant to certain resolutions adopted or to be adopted by the Board prior to the issuance of the Series 2022 Bonds (collectively, the "Assessment Resolution").

3. Limited Offering; Establishment of Issue Price. It shall be a condition to the District's obligation to sell and to deliver the Series 2022 Bonds to the Underwriter, and to the Underwriter's obligation to purchase, accept delivery of and pay for the Series 2022 Bonds, that the entire principal amount of the Series 2022 Bonds be issued, sold and delivered by the District and purchased, accepted and paid for by the Underwriter at the Closing and that the District and the Underwriter receive the opinions, documents and certificates described in Section 8(c) hereof.

(a) The Underwriter agrees to assist the District in establishing the issue price of the Series 2022 Bonds and shall execute and deliver to the District at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, in the form reasonably satisfactory to Bond Counsel, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the District and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2022 Bonds.

(b) Except as otherwise set forth in Exhibit B attached hereto, the District will treat the first price at which 10% of each maturity of the Series 2022 Bonds (the "10% test") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Purchase Contract, the Underwriter shall report to the District the price or prices at which it has sold to the public each maturity of the Series 2022 Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Series 2022 Bonds, the Underwriter agrees to promptly report to the District the prices at which it sells the unsold Series 2022 Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date (as defined below) has occurred, until the 10% test has been satisfied as to the Series 2022 Bonds of that maturity or until all Series 2022 Bonds of that maturity have been sold to the public.

(c) The Underwriter confirms that it has offered the Series 2022 Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit B

attached hereto, except as otherwise set forth therein. Exhibit B also sets forth, as of the date of this Purchase Contract, the maturities, if any, of the Series 2022 Bonds for which the 10% test has not been satisfied and for which the District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series 2022 Bonds, the Underwriter will neither offer nor sell unsold Series 2022 Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Underwriter has sold at least 10% of that maturity of the Series 2022 Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the District when it has sold 10% of that maturity of the Series 2022 Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

(d) The Underwriter acknowledges that sales of any Series 2022 Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this Section. Further, for purposes of this Section:

- (1) "public" means any person other than an underwriter or a related party, and
- (2) a purchaser of any of the Series 2022 Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profit interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (3) "sale date" means the date of execution of this Purchase Contract by all parties.

4. Use of Documents. Prior to the date hereof, the District has caused to be prepared and provided to the Underwriter its Preliminary Limited Offering Memorandum dated _____, 2022 (such Preliminary Limited Offering Memorandum, including the cover pages and all appendices thereto and any amendments and supplements thereto that may be authorized by the

District for use with respect to the Series 2022 Bonds, being herein collectively called the "Preliminary Limited Offering Memorandum"), relating to the Series 2022 Bonds, which the District has deemed final as of its date, except for certain permitted omissions (the "Permitted Omissions"), as contemplated by Rule 15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12" or the "Rule") in connection with the limited offering of the Series 2022 Bonds. The Underwriter has reviewed the Preliminary Limited Offering Memorandum prior to the execution of this Purchase Contract. The District has, prior to the date hereof, authorized the Underwriter to circulate and use the Preliminary Limited Offering Memorandum in connection with the limited offering of the Series 2022 Bonds. The District, at its expense, shall deliver or cause to be delivered to the Underwriter, within seven (7) business days after the date hereof but not later than three (3) days prior to the Closing Date and in sufficient time to allow the Underwriter to comply with all of the requirements of the Rule and all applicable securities laws and the rules of the Municipal Securities Rulemaking Board (the "MSRB"), a final Limited Offering Memorandum dated _____, 2022 (such Limited Offering Memorandum, including the cover pages and all appendices thereto and any amendments and supplements thereto that may be authorized by the District for use with respect to the Series 2022 Bonds, being herein collectively called the "Limited Offering Memorandum" and, together with the Preliminary Limited Offering Memorandum, the "Limited Offering Memoranda"). The District hereby ratifies and approves the circulation and use of the Limited Offering Memoranda by the Underwriter.

5. Definitions. For purposes hereof, (a) this Purchase Contract, the Indenture, the Continuing Disclosure Agreement to be dated as of the Closing Date, among the District, [D.R. Horton, Inc., a Delaware corporation] (the "Developer"), and the dissemination agent named therein (the "Dissemination Agent"), in substantially the form attached to the Preliminary Limited Offering Memorandum as APPENDIX D thereto (the "Disclosure Agreement"), and the DTC Blanket Issuer Letter of Representations entered into by the District, are referred to herein collectively as the "Financing Documents," and (b) [the Completion Agreement (2022 Bonds) by and between the District and the Developer and dated as of the Closing Date, the Acquisition Agreement by and between the District and the Developer and dated as of the Closing Date, the Collateral Assignment (2022 Bonds) by and between the District and the Developer and dated as of the Closing Date, which Collateral Assignment (2022 Bonds) shall be in recordable form, the True-Up Agreement (2022 Bonds) by and between the Developer and dated as of the Closing Date, which True-Up Agreement (2022 Bonds) shall be in recordable form, and the Declaration of Consent dated as of the Closing Date executed by the Developer, which Declaration of Consent shall be in recordable form (collectively, the "Ancillary Agreements").]

6. Representations, Warranties and Agreements. The District hereby represents, warrants and agrees as follows:

(a) The Board is the governing body of the District, and the District is and will be on the Closing Date duly organized and validly existing as a unit of special-purpose government created pursuant to the Constitution and laws of the State, including without limitation the Act;

(b) Subject to the successful completion of the assessment process and bond validation proceedings, both of which shall be conditions to the issuance of the Series 2022 Bonds, the District has full legal right, power and authority to: (i) adopt the Bond

Resolution and the Assessment Resolution; (ii) enter into the Financing Documents and Ancillary Agreements to which it is a party; (iii) sell, issue and deliver the Series 2022 Bonds to the Underwriter as provided herein; (iv) apply the proceeds of the sale of the Series 2022 Bonds for the purposes described in the Limited Offering Memoranda; (v) acknowledge and authorize the use of the Preliminary Limited Offering Memorandum and the use and execution of the Limited Offering Memorandum; and (vi) carry out and consummate the transactions contemplated by the Bond Resolution, the Assessment Resolution, the Financing Documents, the Ancillary Agreements, and the Limited Offering Memoranda, including without limitation entering into a Property Appraiser and Tax Collector Agreement to provide for the collection of the Series 2022 Assessments using the Uniform Method of collection in accordance with the Indenture. The District has complied, or on the Closing Date will be in compliance in all material respects, with the terms of the Act and with the obligations on its part contained in the Bond Resolution, the Assessment Resolution, the Financing Documents, the Ancillary Agreements to which it is a party and the Series 2022 Bonds;

(c) At meetings of the Board that were duly or will be duly called and noticed and at which a quorum was or will be present and acting throughout, the Board duly adopted the Bond Resolution and the Assessment Resolution, and the same are in full force and effect and have not been supplemented, amended, modified or repealed, except as set forth therein. By all necessary official Board action, the District has duly authorized and approved the use and delivery of the Preliminary Limited Offering Memorandum and the execution and delivery of the Financing Documents, the Ancillary Agreements to which it is a party, the Series 2022 Bonds and the Limited Offering Memorandum, has duly authorized and approved the performance by the District of the obligations on its part contained in the Financing Documents, the Ancillary Agreements to which it is a party and the Series 2022 Bonds and the consummation by it of all other transactions contemplated by this Purchase Contract and the Preliminary Limited Offering Memorandum in connection with the issuance of the Series 2022 Bonds. Upon execution and delivery by the District and the Trustee (and assuming the due authorization, execution and delivery of the Indenture by the Trustee), the Indenture will constitute a legal, valid and binding obligation of the District, enforceable in accordance with its terms, subject only to applicable bankruptcy, insolvency, and similar laws affecting creditors' rights and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law). Upon execution by the District and the other parties thereto (and assuming the due authorization, execution and delivery of such agreements by the other parties thereto) the Financing Documents and the Ancillary Agreements to which it is a party will constitute the legal, valid and binding obligations of the District, enforceable in accordance with their respective terms, subject only to applicable bankruptcy, insolvency and similar laws affecting creditors' rights and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law);

(d) The District is not in material breach of or material default under any applicable provision of the Act or any applicable constitutional provision or statute or, to the best of its knowledge, administrative regulation of the State or the United States of America or any applicable judgment or decree, or any loan agreement, indenture, bond,

note, resolution, agreement, or other material instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, and to the best of its knowledge, no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a material default or material event of default under any such instrument; and the execution and delivery of the Series 2022 Bonds, the Financing Documents, the Ancillary Agreements to which it is a party and the Limited Offering Memorandum, the delivery of the Preliminary Limited Offering Memorandum, and the adoption of the Bond Resolution and the Assessment Resolution, and compliance with the provisions on the District's part contained therein, will not conflict with or constitute a material breach of or material default under any applicable constitutional provision or law or, to the best of its knowledge, any administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement, or other instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, nor will any such execution, delivery, adoption, use or compliance result in the creation or imposition of any lien, charge, or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the District or under the terms of any such law, regulation or instrument, except as provided by the Assessment Resolution, the Series 2022 Bonds and the Indenture. To the best of its knowledge, no event has occurred which, with the lapse of time or the giving of notice, or both, would constitute an event of default (as therein defined) under the Series 2022 Bonds, the Financing Documents or the Ancillary Agreements to which the District is a party;

(e) Subject to the successful completion of the assessment process and bond validation proceedings, both of which shall be conditions to the issuance of the Series 2022 Bonds, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matters which (i) are required for the due authorization by the District, or (ii) would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the District, of its obligations to issue the Series 2022 Bonds, or under the Series 2022 Bonds, the Bond Resolution, the Assessment Resolution, Financing Documents or the Ancillary Agreements to which it is a party have been duly obtained or will be obtained in the ordinary course of business, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Series 2022 Bonds;

(f) The descriptions of the Series 2022 Bonds, the Financing Documents, the Ancillary Agreements to which the District is a party and the Assessment Area Two Project to the extent referred to in the Limited Offering Memoranda, conform in all material respects to the Series 2022 Bonds, the Financing Documents, such Ancillary Agreements and the Assessment Area Two Project, respectively;

(g) The Series 2022 Bonds, when issued, executed and delivered in accordance with the Indenture and when delivered to and paid for by the Underwriter at the Closing in accordance with the provisions of this Purchase Contract, will be validly issued and outstanding obligations of the District, entitled to the benefits of the Indenture, and upon such issuance, execution and delivery of the Series 2022 Bonds, the Indenture will provide, for the benefit of the holders from time to time of the Series 2022 Bonds, a legally valid

and binding pledge of the Series 2022 Trust Estate. On the Closing Date, all conditions precedent to the issuance of the Series 2022 Bonds set forth in the Indenture will have been complied with or fulfilled;

(h) There is no claim, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to its best knowledge, threatened against the District: (i) contesting the corporate existence or powers of the Board or the titles of the respective officers of the Board to their respective offices; (ii) affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2022 Bonds or the application of the proceeds of the sale thereof for the purposes described in the Limited Offering Memoranda or the collection of Series 2022 Assessments or the pledge of the Series 2022 Trust Estate, pursuant to the Indenture; (iii) contesting or affecting specifically as to the District the validity or enforceability of the Act or any action of the District in any respect relating to the authorization for the issuance of the Series 2022 Bonds, or the authorization of the Assessment Area Two Project, the Bond Resolution, the Assessment Resolution, the Financing Documents and the Ancillary Agreements to which the District is a party, or the application of the proceeds of the Series 2022 Bonds for the purposes set forth in the Limited Offering Memoranda; (iv) contesting the federal tax status of the Series 2022 Bonds; or (v) contesting the completeness or accuracy of the Limited Offering Memoranda or any supplement or amendment thereto;

(i) To the extent applicable, the District will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order to: (i) qualify the Series 2022 Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate; and (ii) determine the eligibility of the Series 2022 Bonds for investment under the laws of such states and other jurisdictions, and the District will use its best efforts to continue such qualifications in effect so long as required for the initial limited offering and distribution of the Series 2022 Bonds; provided, however, that the District shall not be required to execute a general or special consent to service of process or to qualify to do business in connection with any such qualification or determination in any jurisdiction or register as a broker/dealer;

(j) As of its date (unless an event occurs of the nature described in paragraph (1) of this Section 6) and at all times subsequent thereto, up to and including the Closing Date, the statements and information contained in the Preliminary Limited Offering Memorandum (other than Permitted Omissions) and in the Limited Offering Memorandum are and will be accurate in all material respects for the purposes for which their use is authorized and do not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; provided, however, that no representation is made concerning information contained in the Limited Offering Memoranda under the captions "DESCRIPTION OF THE SERIES 2022 BONDS – Book-Entry Only System," "THE DEVELOPMENT," "THE DEVELOPER," "TAX MATTERS," "SUITABILITY FOR INVESTMENT," "LITIGATION – The Developer," and "UNDERWRITING";

(k) If the Limited Offering Memorandum is supplemented or amended pursuant to subsection (1) of this Section 6, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto up to and including the Closing Date, the Limited Offering Memorandum as so supplemented or amended will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that no representation is made concerning information contained in the Limited Offering Memorandum under the captions "DESCRIPTION OF THE SERIES 2022 BONDS – Book-Entry Only System," "THE DEVELOPMENT," "THE DEVELOPER," "TAX MATTERS," "SUITABILITY FOR INVESTMENT," "LITIGATION – The Developer," and "UNDERWRITING";

(l) If between the date of this Purchase Contract and the earlier of (i) ninety (90) days from the end of the "Underwriting Period" as defined in Rule 15c2-12, or (ii) the time when the Limited Offering Memorandum is available to any person from the MSRB's Electronic Municipal Market Access system (but in no event less than twenty-five (25) days following the end of the Underwriting Period), any event shall occur, of which the District has actual knowledge, which might or would cause the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the District shall notify the Underwriter thereof, and, if in the opinion of the Underwriter such event requires the preparation and publication of a supplement or amendment to the Limited Offering Memorandum, the District will at its expense supplement or amend the Limited Offering Memorandum in a form and in a manner approved by the Underwriter. The end of the Underwriting Period shall be the next business day after the Closing Date;

(m) Since its inception, there has been no material adverse change in the properties, businesses, results of operations, prospects, management or financial or other condition of the District except as disclosed in the Limited Offering Memoranda, and the District has not incurred liabilities that would materially adversely affect its ability to discharge its obligations under the Bond Resolution, the Assessment Resolution, the Series 2022 Bonds, the Financing Documents or the Ancillary Agreements to which it is a party, direct or contingent, other than as set forth in or contemplated by the Limited Offering Memoranda;

(n) The District is not now in default and has not been in default at any time after December 31, 1975 in the payment of the principal of or the interest on any governmental security issued or guaranteed by it which would require disclosure pursuant to Section 517.051, Florida Statutes or Rule 69W-400.003 of the Florida Department of Financial Services;

(o) The District represents and warrants that it has not failed to timely comply with any continuing disclosure obligations with respect to any prior offering of securities except as expressly set forth in the Preliminary Limited Offering Memorandum;

(p) Any certificate signed by any official of the District and delivered to the Underwriter will be deemed to be a representation by the District to the Underwriter as to the statements made therein; and

(q) From the date of this Purchase Contract through the Closing Date, the District will not issue any bonds (other than the Series 2022 Bonds), notes or other obligations payable from the Series 2022 Trust Estate.

7. Closing. At 10:00 a.m. prevailing time on _____, 2022 (the "Closing Date") or at such later time as may be mutually agreed upon by the District and the Underwriter, the District will deliver or cause to be delivered to the Underwriter the Series 2022 Bonds in definitive book-entry-only form, duly executed and authenticated, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the purchase price of the Series 2022 Bonds as set forth in Section 1 hereof, in federal or other immediately available funds to the order of the District. Delivery of the Series 2022 Bonds as aforesaid shall be made pursuant to the FAST system of delivery of The Depository Trust Company, New York, New York, or at such other place as may be mutually agreed upon by the District and the Underwriter. The Series 2022 Bonds shall be typewritten, shall be prepared and delivered as fully registered bonds in book-entry-only form, with one bond for each maturity, registered in the name of Cede & Co. and shall be made available to the Underwriter at least one (1) business day before the Closing Date for purposes of inspection and packaging, unless otherwise agreed by the District and the Underwriter.

8. Closing Conditions. The Underwriter has entered into this Purchase Contract in reliance upon the representations, warranties and agreements of the District contained herein, upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered on the Closing Date and upon the performance by the District of its obligations hereunder, both as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligations under this Purchase Contract are conditioned upon the performance by the District of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing Date, and are also subject to the following additional conditions:

(a) The representations and warranties of the District contained herein shall be true, complete and correct, on the date hereof and on and as of the Closing Date, as if made on the Closing Date;

(b) At the time of the Closing, the Bond Resolution, the Assessment Resolution, the Series 2022 Bonds, the Financing Documents and the Ancillary Agreements shall each be in full force and effect in accordance with their respective terms, and the Bond Resolution, the Assessment Resolution, the Indenture and the Limited Offering Memoranda shall not have been supplemented, amended, modified or repealed, except in any such case as may have been agreed to in writing by the Underwriter;

(c) At or prior to the Closing Date, the Underwriter and the District shall have received each of the following:

(1) The Limited Offering Memorandum and each supplement or amendment, if any, thereto, executed on behalf of the District by the Chairperson of the Board or such other authorized member of the Board;

(2) A copy of each of the Bond Resolution and the Assessment Resolution certified by the Secretary or an Assistant Secretary of the Board under seal as having been duly adopted by the Board of the District and as being in full force and effect;

(3) An executed copy of each of the Financing Documents and the Ancillary Agreements in form and substance acceptable to the Underwriter and its counsel;

(4) The opinion, dated as of the Closing Date and addressed to the District, of Nabors, Giblin & Nickerson, P.A., Bond Counsel, in the form included in the Preliminary Limited Offering Memorandum as Appendix C, together with a letter of such counsel, dated as of the Closing Date and addressed to the Underwriter and the Trustee, to the effect that the foregoing opinion addressed to the District may be relied upon by the Underwriter and the Trustee to the same extent as if such opinion were addressed to them;

(5) The supplemental opinion, dated as of the Closing Date and addressed to the District and the Underwriter, of Nabors, Giblin & Nickerson, P.A., Bond Counsel, in the form annexed as Exhibit C hereto;

(6) The opinion, dated as of the Closing Date and addressed to the District, Bond Counsel, the Trustee and the Underwriter, of Kutak Rock LLP, counsel to the District, in form and substance acceptable to the Underwriter and its counsel; [Please send us opinion for inclusion.]

(7) The opinion, dated as of the Closing Date and addressed to the District, the Trustee, the Underwriter, Bond Counsel and Underwriter's Counsel of J. Wayne Crosby, P.A., counsel to the Developer, in form and substance acceptable to the Underwriter and the District and their respective counsel;

(8) An opinion, dated as of the Closing Date and addressed to the Underwriter, the District and Bond Counsel, of counsel to the Trustee, in form and substance acceptable to Bond Counsel, Underwriter, Underwriter's Counsel, and the District;

(9) A customary authorization and incumbency certificate, dated as of the Closing Date, signed by authorized officers of the Trustee;

(10) Certificate of the Developer dated as of the Closing Date in the form annexed as Exhibit D hereto or in such form and substance otherwise acceptable to the Underwriter and its counsel;

(11) A copy of the Ordinance;

(12) A certificate, dated as of the Closing Date, signed by the Chairperson or Vice-Chairperson and the Secretary or an Assistant Secretary of the Board, setting forth that: (i) each of the representations of the District contained herein was true and accurate in all material respects on the date when made, has been true and accurate in all material respects at all times since, and continues to be true and accurate in all material respects on the Closing Date as if made on such date; (ii) the District has performed all obligations to be performed hereunder as of the Closing Date; (iii) except as may be disclosed in the Limited Offering Memoranda, the District has never been in default as to principal or interest with respect to any obligation issued or guaranteed by the District; (iv) the District agrees to take all reasonable action necessary to use the Uniform Method as the means of collecting the Series 2022 Assessments when required under the Indenture; and (v) the Limited Offering Memoranda (other than the information under the captions "DESCRIPTION OF THE SERIES 2022 BONDS – Book-Entry Only System," "THE DEVELOPMENT," "THE DEVELOPER," "TAX MATTERS," "SUITABILITY FOR INVESTMENT," "LITIGATION – The Developer," and "UNDERWRITING," as to which no view need be expressed) as of its date, and as of the Closing Date, does not contain any untrue statement of a material fact or omit to state a material fact which should be included therein for the purposes for which the Limited Offering Memoranda is to be used, or which is necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading;

(13) A customary signature and no litigation certificate, dated as of the Closing Date, signed on behalf of the District by the Chairperson or Vice-Chairperson and Secretary or an Assistant Secretary of the Board in form and substance acceptable to the Underwriter and its counsel;

(14) Evidence of compliance by the District with the requirements of Section 189.051, Florida Statutes;

(15) Executed copies of the District's certification as to arbitrage and other matters relative to the tax status of the Series 2022 Bonds under Section 148 of the Internal Revenue Code of 1986, as amended;

(16) Executed copy of Internal Revenue Service Form 8038-G relating to the Series 2022 Bonds;

(17) A certificate of the District's consulting engineer, dated as of the Closing Date, in the form annexed as Exhibit E hereto or otherwise in form and substance acceptable to the Underwriter and its counsel;

(18) A certificate of the District Manager and Methodology Consultant in the form annexed as Exhibit F hereto or otherwise in form and substance acceptable to the Underwriter and its counsel;

(19) Such additional documents as may be required by the Indenture to be delivered as a condition precedent to the issuance of the Series 2022 Bonds;

(20) Evidence of compliance by the District with the requirements of Section 215.84, Florida Statutes;

(21) A certified copy of the final judgment of the Circuit Court in and for the County, validating the Series 2022 Bonds and a certificate of no-appeal;

(22) A copy of the [Master Special Assessment Methodology Report dated _____, 20__], as supplemented by the [First Supplemental Assessment Methodology Report] dated the date hereof (collectively, the "Assessment Methodology Report"), as amended and supplemented from time to time, relating to the Series 2022 Bonds;

(23) A copy of the Engineer's Report for Infrastructure Improvements dated October 3, 2018 (the "Master Engineer's Report"), which was prepared by Stantec, and supplemented by the Supplemental Engineer's Report for Willows Community Development District, dated August 2022 (the "Supplemental Engineer's Report" and, collectively with the Master Engineer's Report, the "Engineer's Report"), which was prepared by ZNS Engineering, L.C. (the "District Engineer");

(24) A certificate of the District whereby the District has deemed the Preliminary Limited Offering Memorandum final as of its date, except for Permitted Omissions, as contemplated by Rule 15c2-12 in connection with the limited offering of the Series 2022 Bonds;

(25) Acknowledgments in recordable form by all holders of mortgages on District lands in Assessment Area Two as to the superior lien of the Series 2022 Assessments in form and substance acceptable to the Underwriter and its counsel;

(26) A Declaration of Consent by any other landowners with respect to all real property which is subject to the Series 2022 Assessments in recordable form and otherwise in form and substance acceptable to the Underwriter and Underwriter's Counsel;

(27) Evidence that the District has engaged a Dissemination Agent acceptable to the Underwriter;

(28) A certificate of the Dissemination Agent (i) acknowledging its agreement to serve as the initial Dissemination Agent for the District and undertake the obligations of the Dissemination Agent as set forth in the Disclosure Agreement, (ii) representing that the Dissemination Agent is aware of the continuing disclosure requirements set forth in the Disclosure Agreement and Rule 15c2-12, and that it has policies and procedures in place to ensure its compliance with its obligations under the Disclosure Agreement, and (iii) covenanting to comply with its obligations under the Disclosure Agreement; and

(29) Such additional legal opinions, certificates, instruments and other documents as the Underwriter, Underwriter's Counsel, Bond Counsel or District Counsel may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the District's representations and warranties contained herein and of the statements and information contained in the Limited Offering Memoranda and the due performance or satisfaction by the District, the Developer and the Builders on or prior to the Closing of all the agreements then to be performed and conditions then to be satisfied by each.

If the District shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Series 2022 Bonds contained in this Purchase Contract (unless waived by the Underwriter in its sole discretion), or if the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Series 2022 Bonds shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriter nor the District shall be under any further obligation hereunder, except that the respective obligations of the District and the Underwriter set forth in Section 10 hereof shall continue in full force and effect.

9. Termination. The Underwriter shall have the right to terminate its obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Series 2022 Bonds by notifying the District of its election to do so if, after the execution hereof and prior to the Closing: (i) legislation shall have been introduced in or enacted by the Congress of the United States or enacted by the State, or legislation pending in the Congress of the United States shall have been amended, or legislation shall have been recommended to the Congress of the United States or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairperson or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation shall have been proposed for consideration by either such committee, by any member thereof, or legislation shall have been favorably reported for passage to either House of Congress of the United States by a committee of such House to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the United States or the State, including the Tax Court of the United States, or a ruling shall have been made or a regulation shall have been proposed or made or a press release or other form of notice shall have been issued by the Treasury Department of the United States, or the Internal Revenue Service or other federal or State authority, with respect to federal or State taxation upon revenues or other income of the general character to be derived by the District or by any similar body, or upon interest on obligations of the general character of the Series 2022 Bonds, which may have the purpose or effect, directly or indirectly, of materially and adversely affecting the tax status of the District, its property or income, its securities (including the Series 2022 Bonds) or the interest thereon, or any tax exemption granted or authorized by the State or, which in the reasonable opinion of the Underwriter, affects materially and adversely the market for the Series 2022 Bonds, or the market price generally of obligations of the general character of the Series 2022 Bonds; (ii) the District has, without the prior written consent of the Underwriter, offered or issued any bonds, notes or other obligations for borrowed money, or incurred any material liabilities, direct or contingent, or there has been an adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the District, the Developer or the Builders,

other than in the ordinary course of its business; (iii) any event shall have occurred or shall exist which, in the reasonable opinion of the Underwriter, would or might cause the information contained in the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; or (iv) the District fails to adopt the final resolution comprising a portion of the Assessment Resolution or fails to perform any action to be performed by it in connection with the levy of the Series 2022 Assessments.

10. Expenses.

(a) The District agrees to pay, and the Underwriter shall not be obligated to pay, any expenses incident to the performance of the District's obligations hereunder, including, but not limited to: (i) the cost of the preparation and distribution of the Indenture; (ii) the cost of the preparation and printing, if applicable, of the Limited Offering Memoranda and any supplements thereto, together with a reasonable number of copies which the Underwriter may request; (iii) the cost of registering the Series 2022 Bonds in the name of Cede & Co., as nominee of DTC, which will act as securities depository for such Series 2022 Bonds; (iv) the fees and disbursements of District Counsel, the District Manager, the Dissemination Agent, Bond Counsel, Underwriter's Counsel, special counsel to the Developer to the extent the work of such counsel is directly related to the issuance of the Series 2022 Bonds, the District's methodology consultant, the Consulting Engineer, and any other experts or consultants retained by the District; and (v) the cost of recording in the Official Records of the County any Financing Documents, Ancillary Agreements or other documents or certificates that are required to be recorded pursuant to the terms of this Purchase Contract. The District shall record all documents required to be provided in recordable form hereunder within one business day after the Closing Date, which obligation shall survive the Closing.

(b) The Underwriter agrees to pay all advertising and applicable regulatory expenses in connection with the Series 2022 Bonds, if any.

11. No Advisory or Fiduciary Role. The District acknowledges and agrees that (i) the purchase and sale of the Series 2022 Bonds pursuant to this Agreement is an arm's-length commercial transaction between the District and the Underwriter, (ii) in connection with such transaction and with the discussions, undertakings and procedures leading up to such transaction, the Underwriter is and has been acting solely as a principal and not as an advisor (including, without limitation, a Municipal Advisor, as such term is defined in Section 975(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act), agent or a fiduciary of the District, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the District with respect to the offering of the Series 2022 Bonds or the discussions, undertakings and process leading thereto (whether or not the Underwriter, or any affiliate of the Underwriter, has advised or is currently advising or providing other services to the District on other matters) or any other obligation to the District except the obligations expressly set forth in this Agreement, (iv) the Underwriter has financial and other interests that differ from those of the District, (v) the District has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Series 2022 Bonds, and (vi) the Underwriter has provided to

the District prior disclosures under Rule G-17 of the MSRB, which have been received by the District.

12. Notices. Any notice or other communication to be given to the District under this Purchase Contract may be given by delivering the same in writing to the District Manager at Wrathell, Hunt & Associates, LLC, 2300 Glades Rd., Ste. #410W, Boca Raton, Florida 33431, and any notice or other communication to be given to the Underwriter under this Purchase Contract may be given by delivering the same in writing to FMSbonds, Inc., 20660 W. Dixie Highway, North Miami Beach, Florida 33180, Attention: Jon Kessler.

13. Parties in Interest; Survival of Representations. This Purchase Contract is made solely for the benefit of the District and the Underwriter (including the successors or assigns of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof. All of the District's representations, warranties and agreements contained in this Purchase Contract, with the understanding that all such are made as of the date hereof, shall remain operative and in full force and effect and survive the closing on the Series 2022 Bonds, regardless of: (i) any investigations made by or on behalf of the Underwriter and (ii) delivery of and payment for the Series 2022 Bonds pursuant to this Purchase Contract.

14. Effectiveness. This Purchase Contract shall become effective upon the execution by the appropriate officials of the District and shall be valid and enforceable at the time of such acceptance. To the extent of any conflict between the provisions of this Purchase Contract and any prior contract between the parties hereto, the provisions of this Purchase Contract shall govern.

15. Headings. The headings of the sections of this Purchase Contract are inserted for convenience only and shall not be deemed to be a part hereof.

16. Amendment. No modification, alteration or amendment to this Purchase Contract shall be binding upon any party until such modification, alteration or amendment is reduced to writing and executed by all parties hereto.

17. Governing Law. This Purchase Contract shall be governed and construed in accordance with the laws of the State.

18. Counterparts; Facsimile. This Purchase Contract may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were signatures upon the same instrument. Facsimile or a scanned copy of the signatures delivered in a PDF format shall be deemed originals.

[Signature page follows.]

Very truly yours,

FMSBONDS, INC.

By: _____
Theodore A. Swinarski,
Senior Vice President - Trading

Accepted and agreed to this
____ day of _____, 2022.

**WILLOWS COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Ryan Zook,
Chairperson, Board of Supervisors

EXHIBIT A

DISCLOSURE AND TRUTH-IN-BONDING STATEMENT

_____, 2022

Willows Community Development District
Manatee County, Florida

Re: \$_____ Willows Community Development District Special Assessment Revenue
Bonds, Series 2022 (Assessment Area Two)

Dear Ladies and Gentlemen:

Pursuant to Chapter 218.385, Florida Statutes, and with respect to the issuance of the above-referenced bonds (the "Series 2022 Bonds"), FMSbonds, Inc. (the "Underwriter"), having purchased the Series 2022 Bonds pursuant to a Bond Purchase Contract dated _____, 2022 (the "Bond Purchase Contract"), between the Underwriter and Willows Community Development District (the "District"), furnishes the following information in connection with the limited offering and sale of the Series 2022 Bonds:

1. The total underwriting discount to be paid to the Underwriter pursuant to the Bond Purchase Contract is approximately \$_____ per \$1,000.00 or \$_____.
2. There are no "finders" as such term is used in Sections 218.385 and 218.386, Florida Statutes, in connection with the issuance of the Series 2022 Bonds.
3. The nature and estimated amounts of expenses to be incurred by the Underwriter in connection with the issuance of the Series 2022 Bonds are set forth in Schedule I attached hereto.
4. Any other fee, bonus or other compensation estimated to be paid by the Underwriter in connection with the Series 2022 Bonds to any person not regularly employed or retained by the Underwriter is as follows: None. GrayRobinson, P.A. has been retained as counsel to the Underwriter and will be compensated by the District.
5. Pursuant to the provisions of Sections 218.385(2) and (3), Florida Statutes, as amended, the following truth-in-bonding statements are made with respect to the Series 2022 Bonds.

The District is proposing to issue \$_____ aggregate amount of the Series 2022 Bonds for the purpose of providing funds to: (i) finance a portion of the Cost of acquiring, constructing and equipping assessable improvements comprising the Assessment Area Two Project, (ii) pay certain costs associated with the issuance of the Series 2022 Bonds, (iii) make a deposit into the Series 2022 Reserve Account to be held for the benefit of all of the Series 2022 Bonds, and (iv) pay a portion of the interest to become due on the Series 2022 Bonds. This debt or obligation is expected to be repaid over a period of approximately _____ (____) years and _____ (____)

months. At a net interest cost of approximately _____% for the Series 2022 Bonds, total interest paid over the life of the Series 2022 Bonds will be \$_____.

The source of repayment for the Series 2022 Bonds is the Series 2022 Assessments imposed and collected by the District. Based solely upon the assumptions set forth in the paragraph above, the issuance of the Series 2022 Bonds will result in approximately \$_____ (representing the average annual debt service on the Series 2022 Bonds) of the District's special assessment revenues not being available to the District on an annual basis to finance other services of the District; provided however, that in the event that the Series 2022 Bonds were not issued, the District would not be entitled to impose and collect the Series 2022 Assessments in the amount of the principal of and interest to be paid on the Series 2022 Bonds.

The address of the Underwriter is:

FMSbonds, Inc.
20660 W. Dixie Highway
North Miami Beach, Florida 33180

[Remainder of page intentionally left blank.]

Signature Page to Disclosure and Truth-in-Bonding Statement

Sincerely,

FMSBONDS, INC.

By: _____
Theodore A. Swinarski,
Senior Vice President - Trading

SCHEDULE I

<u>Expense</u>	<u>Amount</u>
DALCOMP	\$_____
Clearance	
CUSIP	
DTC	
FINRA/SIPC	
MSRB	
Electronic Orders	_____
TOTAL:	\$_____

EXHIBIT B

TERMS OF BONDS

1. **Purchase Price:** \$_____ (representing the \$_____ aggregate principal amount of the Series 2022 Bonds, [plus/less net original issue premium/discount of \$_____ and] less an underwriter's discount of \$_____).

2. **Principal Amounts, Maturities, Interest Rates, [Yields,] and Prices:**

<u>Amount</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>[Yield]</u>	<u>Price</u>
---------------	-----------------	----------------------	----------------	--------------

[*Yield calculated to the first optional call date of May 1, 20__.]

The Underwriter has offered the Series 2022 Bonds to the public on or before the date of this Purchase Contract at the initial offering prices set forth herein and has sold at least 10% of each maturity of the Series 2022 Bonds to the public at a price that is no higher than such initial offering prices[, except for the following maturities: _____].

3. **Redemption Provisions:**

Optional Redemption. The Series 2022 Bonds are subject to redemption prior to maturity at the option of the District in whole or in part on any date, on or after May 1, 20__, at the Redemption Price of the principal amount of the Series 2022 Bonds or portions thereof to be redeemed together with accrued interest to the date of redemption.

Mandatory Sinking Fund Redemption. The Series 2022 Bonds maturing May 1, 20__, are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2022 Sinking Fund Account established under the Second Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

May 1 of the Year	Amortization Installment	May 1 of the Year	Amortization Installment
	\$		\$

*

* Final maturity

The Series 2022 Bonds maturing May 1, 20__, are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2022 Sinking Fund Account established under the Second Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without

premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

May 1 of the Year	Amortization Installment	May 1 of the Year	Amortization Installment
	\$		\$

*

* Final maturity

The Series 2022 Bonds maturing May 1, 20__, are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2022 Sinking Fund Account established under the Second Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

May 1 of the Year	Amortization Installment	May 1 of the Year	Amortization Installment
	\$		\$

*

* Final maturity

The Series 2022 Bonds maturing May 1, 20__, are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2022 Sinking Fund Account established under the Second Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

May 1 of the Year	Amortization Installment	May 1 of the Year	Amortization Installment
	\$		\$

*

* Final maturity

As more particularly set forth in the Indenture, any Series 2022 Bonds that are purchased by the District with amounts held to pay an Amortization Installment will be cancelled and the principal amount so purchased will be applied as a credit against the applicable Amortization Installment of Series 2022 Bonds. Amortization Installments are also subject to recalculation, as provided in the Second Supplemental Indenture, as the result of the redemption of Series 2022 Bonds other than from scheduled Amortization Installments so as to reamortize the remaining

Outstanding principal balance of the Series 2022 Bonds as set forth in the Second Supplemental Indenture.

Extraordinary Mandatory Redemption. The Series 2022 Bonds are subject to extraordinary mandatory redemption prior to maturity in whole or in part on any Quarterly Redemption Date at the Redemption Price of one hundred percent (100%) of the principal amount thereof, without premium, together with accrued interest to the Redemption Date, if and to the extent that any one or more of the following shall have occurred:

(i) on or after the Completion Date of the Assessment Area Two Project, by application of moneys transferred from the Series 2022 Acquisition and Construction Account to the Series 2022 Prepayment Subaccount as provided for in the Indenture; or

(ii) from amounts, including Series 2022 Prepayments, required by the Indenture to be deposited into the Series 2022 Prepayment Subaccount; or

(iii) from amounts transferred from the Series 2022 Reserve Account to the Series 2022 Prepayment Subaccount resulting from a reduction in the Series 2022 Reserve Account Requirement as provided for in the Indenture; or

(iv) on the date on which the amount on deposit in the Series 2022 Reserve Account, together with other moneys available therefor, are sufficient to pay and redeem all of the Series 2022 Bonds then Outstanding, including accrued interest thereon.

If less than all of the Series 2022 Bonds shall be called for redemption, the particular Series 2022 Bonds or portions of Series 2022 Bonds to be redeemed shall be selected by lot by the Registrar as provided in the Indenture, or as provided or directed by DTC.

[Remainder of page intentionally left blank.]

EXHIBIT C

BOND COUNSEL'S SUPPLEMENTAL OPINION

_____, 2022

Willows Community Development District
Manatee County, Florida

FMSbonds, Inc.
North Miami Beach, Florida

Re: \$_____ Willows Community Development District Special Assessment
Revenue Bonds, Series 2022 (Assessment Area Two)

Ladies and Gentlemen:

We have acted as Bond Counsel to the Willows Community Development District (the "District"), a community development district established and existing pursuant to Chapter 190, Florida Statutes (the "Act"), in connection with the issuance by the District of its \$_____ original aggregate principal amount of Willows Community Development District Special Assessment Revenue Bonds, Series 2022 (Assessment Area Two) (the "Series 2022 Bonds"). In such capacity, we have rendered our final approving opinion (the "Opinion") of even date herewith relating to the Series 2022 Bonds. The Series 2022 Bonds are secured pursuant to that certain Master Trust Indenture, dated as of April 1, 2019, as supplemented by that certain Second Supplemental Trust Indenture, dated as of September 1, 2022 (together, the "Indenture"), each by and between the District and U.S. Bank Trust Company, National Association, as trustee.

In connection with the rendering of the Opinion, we have reviewed records of the acts taken by the District in connection with the authorization, sale and issuance of the Series 2022 Bonds, were present at various meetings and participated in various discussions in connection therewith and have reviewed such other documents, records and other instruments as we deem necessary to deliver this opinion.

The District has entered into a Bond Purchase Contract dated _____, 2022 (the "Purchase Contract"), for the purchase of the Series 2022 Bonds. Capitalized words used, but not defined, herein shall have the meanings ascribed thereto in the Purchase Contract.

Based upon the forgoing, under existing law, we are of the opinion that:

1. The Series 2022 Bonds are not subject to the registration requirement of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

2. We have reviewed the statements in the Limited Offering Memorandum under the captions "DESCRIPTION OF THE SERIES 2022 BONDS" (other than the information under the subsection "- Book-Entry Only System" as to which no opinion is expressed) and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2022 BONDS" (other than the

information under the subsection "– Prepayment of the Series 2022 Assessments" as to which no opinion is expressed) and insofar as such statements purport to be summaries of certain provisions of the Series 2022 Bonds, the Act and the Indenture, they constitute a fair summary of the information purported to be summarized therein and the statements in the Limited Offering Memorandum on the cover relating to the Opinion and under the caption "TAX MATTERS" are accurate statements or summaries of the matters therein set forth. It should be noted that such summaries do not purport to summarize all of the provisions of, and are qualified in their entirety by, the complete documents or provisions which are summarized.

We express no opinion as to the information contained in the Limited Offering Memorandum other than as provided in paragraph 2 above. The opinions expressed herein are predicated upon present law, facts and circumstances, and we assume no affirmative obligation or duty to update the opinions expressed herein if such laws, facts or circumstances change after the date hereof.

This letter is furnished by us as Bond Counsel. No attorney-client relationship has existed or exists between our firm and FMSbonds, Inc. (the "Underwriter") in connection with the Series 2022 Bonds or by virtue of this letter. This letter is delivered to the Underwriter solely for its benefit as Underwriter and may not be used, circulated, quoted or otherwise referred to or relied upon by the Underwriter for any other purpose or by any other person. This letter is not intended to, and may not be, relied upon by holders of the Series 2022 Bonds.

Very truly yours,

EXHIBIT D

FORM OF CERTIFICATE FOR DEVELOPER

[D.R. Horton, Inc., a Delaware corporation] (the "Developer") DOES HEREBY CERTIFY that:

1. This Certificate of Developer is furnished pursuant to Section 8(c)(10) of the Bond Purchase Contract dated _____, 2022 (the "Purchase Contract") between Willows Community Development District (the "District") and FMSbonds, Inc. (the "Underwriter") relating to the sale by the District of its \$_____ original aggregate principal amount of Willows Community Development District Special Assessment Revenue Bonds, Series 2022 (Assessment Area Two) (the "Series 2022 Bonds"). Capitalized terms used, but not defined, herein shall have the meaning assigned thereto in the Purchase Contract.

2. The Developer is a corporation organized and existing under the laws of the State of Delaware and authorized to transact business under the laws of the State of Florida.

3. Representatives of the Developer have provided information to the District to be used in connection with the offering by the District of the Series 2022 Bonds, pursuant to a Preliminary Limited Offering Memorandum dated _____, 2022, and a final Limited Offering Memorandum dated _____, 2022 (collectively, the "Limited Offering Memoranda").

4. The Declaration of Consent (2022 Bonds), dated as of the Closing Date, executed by the Developer and to be recorded in the public records of Manatee County, Florida (the "Declaration of Consent"), [the Completion Agreement (2022 Bonds), dated as of the Closing Date, by and between the District and the Developer (the "Completion Agreement"), the Acquisition Agreement (2022 Bonds), dated as of the Closing Date, by and between the District and the Developer (the "Acquisition Agreement"), the Collateral Assignment (2022 Bonds), dated as of the Closing Date, by and between the District and the Developer and to be recorded in the public records of Manatee County, Florida (the "Collateral Assignment"), and the True-Up Agreement (2022 Bonds), dated as of the Closing Date, by and between the District and the Developer and to be recorded in the public records of Manatee County, Florida (the "True-Up Agreement", and together with the Declaration of Consent, the Completion Agreement, the Acquisition Agreement and the Collateral Assignment, the "Ancillary Agreements")] constitute valid and binding obligations of the Developer enforceable against the Developer in accordance with their terms.

5. The Developer has reviewed and approved the information contained in the Limited Offering Memoranda under the captions "THE CAPITAL IMPROVEMENT PLAN AND THE ASSESSMENT AREA TWO PROJECT," "THE DEVELOPMENT," "THE DEVELOPER," "LITIGATION – The Developer" and "CONTINUING DISCLOSURE" (as it relates to the Developer only) and with respect to the Developer, the Assessment Area Two Project and the District Lands (as such terms are defined in the Limited Offering Memoranda) under the caption "BONDOWNERS' RISKS" and warrant and represent that such information did not as of their respective dates, and does not as of the date hereof, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. In addition, the Developer is not

aware of any other information in the Limited Offering Memoranda that contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

6. The Developer represents and warrants that it has complied with and will continue to comply with Sections 190.009 and 190.048, Florida Statutes, as amended.

7. As of the date hereof, there has been no material adverse change in the business, properties, assets or financial condition of the Developer which has not been disclosed in the Limited Offering Memoranda.

8. The Developer hereby consents to the levy of the Series 2022 Assessments on the Assessment Area Two lands owned by the Developer. The levy of the Series 2022 Assessments on the Assessment Area Two lands owned by the Developer will not conflict with or constitute a breach of or default under any agreement, mortgage, lien or other instrument to which either the Developer is a party or to which any of its properties or assets are subject.

9. The Developer has not made an assignment for the benefit of creditors, filed a petition in bankruptcy, petitioned or applied to any tribunal for the appointment of a custodian, receiver or any trustee or commenced any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction. The Developer has not indicated their consent to, or approval of, or failed to object timely to, any petition in bankruptcy, application or proceeding or order for relief or the appointment of a custodian, receiver or any trustee.

10. To the best of our knowledge, the Developer is not in default under any resolution, ordinance, agreement or indenture, mortgage, lease, deed of trust, note or other instrument to which it is subject or by which its properties are or may be bound, which would have a material adverse effect on the consummation of the transactions contemplated by the Financing Documents, Ancillary Agreements or on the development of Assessment Area Two and the Developer is not delinquent in the payment of any ad valorem, federal and state taxes associated with the development of the Assessment Area Two Project or any of the District Lands.

11. Except as otherwise disclosed in the Limited Offering Memoranda, there is no action, suit or proceedings at law or in equity by or before any court or public board or body pending or, solely to the best of our knowledge, threatened against the Developer (or any basis therefor) (a) seeking to restrain or enjoin the execution or delivery of Financing Documents, Declaration of Consent and/or Ancillary Agreements, (b) contesting or affecting the validity or enforceability of the Financing Documents, Declaration of Consent and/or Ancillary Agreements, or any and all such other agreements or documents as may be required to be executed, or the transactions contemplated thereunder, or (c) contesting or affecting the establishment or existence of the Developer or its businesses, assets, properties or conditions, financial or otherwise, or contesting or affecting any of the powers of the Developer.

12. To the best of our knowledge after due inquiry, the Developer is in compliance in all material respects with all provisions of applicable law in all material matters relating to the Assessment Area Two Project and the District Lands as described in the Limited Offering

Memoranda, including applying for all necessary permits. Except as otherwise described in the Limited Offering Memoranda, (a) the Assessment Area Two lands are zoned and properly designated for their intended use, (b) all government permits other than certain permits, which permits are expected to be received as needed, have been received, (c) the Developer is not aware of any default of any zoning condition, permit or development agreement which would adversely affect its ability to complete or cause the completion of development of the Assessment Area Two Project or the Assessment Area Two lands as described in the Limited Offering Memoranda and all appendices thereto, and (d) there is no reason to believe that any permits, consents and licenses required to complete the development of the Assessment Area Two Project and the Assessment Area Two lands as described in the Limited Offering Memoranda will not be obtained as required.

13. The Developer acknowledges that it will have no rights under Chapter 170, Florida Statutes, as amended, to prepay, without interest, the Series 2022 Assessments imposed on lands in the District owned by it within thirty (30) days following completion of the Assessment Area Two Project and acceptance thereof by the District.

14. Except as disclosed in the Preliminary Limited Offering Memorandum, the Developer has not failed to comply with any of its continuing disclosure undertakings entered into in connection with Rule 15c2-12 of the Securities and Exchange Act of 1934, as amended.

15. The Developer is not insolvent or in default of any obligations to pay special assessments.

Dated: _____, 2022.

**[D.R. HORTON, INC., a Delaware
corporation]**

By: _____
Name: _____
Title: _____

EXHIBIT E

CERTIFICATE OF ENGINEERS

ZNS ENGINEERING, L.C. (the "Engineers"), DOES HEREBY CERTIFY, that:

1. This certificate is furnished pursuant to Section 8(c)(17) of the Bond Purchase Contract dated _____, 2022 (the "Purchase Contract"), by and between Willows Community Development District (the "District") and FMSbonds, Inc. with respect to the \$_____ Willows Community Development District Special Assessment Revenue Bonds, Series 2022 (Assessment Area Two) (the "Series 2022 Bonds"). Capitalized terms used, but not defined, herein shall have the meaning assigned thereto in the Purchase Contract or the Preliminary Limited Offering Memorandum dated _____, 2022 (the "Preliminary Limited Offering Memorandum") and the Limited Offering Memorandum dated _____, 2022 (the "Limited Offering Memorandum" and, together with the Preliminary Limited Offering Memorandum, the "Limited Offering Memoranda"), as applicable.

2. The Engineers have been retained by the District as consulting engineers.

3. The plans and specifications for the Assessment Area Two Project (as described in the Limited Offering Memoranda and the Report (as defined below)) and the master and community subdivision infrastructure improvements (as described in the Report) were approved by all regulatory bodies required to approve them. All environmental and other regulatory permits or approvals required in connection with the construction of the Assessment Area Two Project were obtained or are expected to be obtained in the ordinary course.

4. The Engineers prepared the Supplemental Engineer's Report for Willows Community Development District, dated August 2022 (the "Report"). The Report was prepared in accordance with generally accepted engineering principles. The Report is included as "APPENDIX A: SUPPLEMENTAL ENGINEER'S REPORT" to the Limited Offering Memoranda and a description of the Report and certain other information relating to the Assessment Area Two Project are included in the Limited Offering Memoranda under the captions "THE CAPITAL IMPROVEMENT PLAN AND THE ASSESSMENT AREA TWO PROJECT" and "THE DEVELOPMENT." The Report and said information are true and complete in all material respects, contain no untrue statement of a material fact, and do not omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

5. The Engineers hereby consent to the inclusion of the Report as "APPENDIX A: SUPPLEMENTAL ENGINEER'S REPORT" to the Limited Offering Memoranda and to the references to the Engineers in the Limited Offering Memoranda.

6. The Assessment Area Two Project to the extent constructed has been constructed in sound workmanlike manner and in accordance with industry standards.

7. The benefits from the Assessment Area Two Project to the lands subject to the Series 2022 Assessments will be at least equal to or in excess of the amount of Series 2022 Assessments.

8. Except as otherwise described in the Limited Offering Memoranda, (a) all government permits required in connection with the construction of the Assessment Area Two Project and the development of the Assessment Area Two lands as described in the Limited Offering Memoranda have been received or are expected to be received in the ordinary course, (b) we are not aware of any default of any zoning condition, land use permit or development agreement which would adversely affect the ability to complete construction of the Assessment Area Two Project or the development of the Assessment Area Two lands as described in the Limited Offering Memoranda and all appendices thereto, and (c) we have no actual knowledge and are not otherwise aware of any reason to believe that any permits, consents and licenses required to complete the construction of the Assessment Area Two Project or the development of the Assessment Area Two lands as described in the Limited Offering Memoranda will not be obtained in due course as required by the Developer, or any other person or entity, necessary for the construction of the Assessment Area Two Project or the development of the Assessment Area Two lands as described in the Limited Offering Memoranda and all appendices thereto.

9. There [is/will be] adequate water and sewer service capacity to serve the Assessment Area Two lands.

Date: _____, 2022

ZNS ENGINEERING, L.C.

By: _____

Print Name: _____

Title: _____

EXHIBIT F

CERTIFICATE OF DISTRICT MANAGER AND METHODOLOGY CONSULTANT

_____, 2022

Willows Community Development District
Manatee County, Florida

FMSbonds Inc.
North Miami Beach, Florida

GrayRobinson, P.A.
Tampa, Florida

Re: \$_____ Willows Community Development District Special Assessment
Revenue Bonds, Series 2022 (Assessment Area Two)

Ladies and Gentlemen:

The undersigned representative of Wrathell, Hunt & Associates, LLC ("Wrathell"), DOES
HEREBY CERTIFY:

1. This certificate is furnished pursuant to Section 8(c)(18) of the Bond Purchase Contract dated _____, 2022 (the "Purchase Contract"), by and between Willows Community Development District (the "District") and FMSbonds, Inc. with respect to the \$_____ Willows Community Development District Special Assessment Revenue Bonds, Series 2022 (Assessment Area Two) (the "Series 2022 Bonds"). Capitalized terms used, but not defined, herein shall have the meaning assigned thereto in the Purchase Contract or the Preliminary Limited Offering Memorandum dated _____, 2022 (the "Preliminary Limited Offering Memorandum") and the Limited Offering Memorandum dated _____, 2022 (the "Limited Offering Memorandum" and, together with the Preliminary Limited Offering Memorandum, the "Limited Offering Memoranda") relating to the Series 2022 Bonds, as applicable.

2. Wrathell has acted as district manager and methodology consultant to the District in connection with the sale and issuance by the District of the Series 2022 Bonds and have participated in the preparation of the Limited Offering Memoranda.

3. In connection with the issuance of the Series 2022 Bonds, we have been retained by the District to prepare the [Master Special Assessment Methodology Report dated _____], as supplemented by the [First Supplemental Assessment Methodology Report dated _____], 2022 (collectively, the "Assessment Methodology"), which Assessment Methodology has been included as an appendix to the Limited Offering Memoranda. We hereby consent to the use of such Assessment Methodology in the Limited Offering Memoranda and consent to the references to us therein.

4. As District Manager, nothing has come to our attention that would lead us to believe that the Limited Offering Memoranda, as they relate to the District, the District Lands, the

Assessment Area Two Project, or any information provided by us, and the Assessment Methodology, as of their respective dates and as of this date, contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to be stated therein in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

5. The information set forth in the Limited Offering Memoranda under the captions "THE DISTRICT," "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS," "LITIGATION – The District," "CONTINGENT FEES," "FINANCIAL INFORMATION," "DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS," "CONTINUING DISCLOSURE," and in "APPENDIX E: ASSESSMENT METHODOLOGY REPORT" and "APPENDIX F: DISTRICT'S FINANCIAL STATEMENTS" did not as of the respective dates of the Limited Offering Memoranda and does not as of the date hereof contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

6. To the best of our knowledge, there has been no change which would materially adversely affect the assumptions made or the conclusions reached in the Assessment Methodology and the considerations and assumptions used in compiling the Assessment Methodology are reasonable. The Assessment Methodology and the assessment methodology set forth therein were prepared in accordance with all applicable provisions of Florida law.

7. As District Manager and Registered Agent for the District, we are not aware of any litigation pending or, to the best of our knowledge, threatened against the District restraining or enjoining the issuance, sale, execution or delivery of the Series 2022 Bonds, or in any way contesting or affecting the validity of the Series 2022 Bonds or any proceedings of the District taken with respect to the issuance or sale thereof, or the pledge or application of any moneys or security provided for the payment of the Series 2022 Bonds, or the existence or powers of the District.

8. The Series 2022 Assessments, as initially levied, and as may be reallocated from time to time as permitted by resolutions adopted by the District with respect to the Series 2022 Assessments, are supported by sufficient benefit from the Assessment Area Two Project, are fairly and reasonably allocated across the lands subject to the Series 2022 Assessments, and are sufficient to enable the District to pay the debt service on the Series 2022 Bonds through the final maturity thereof.

Dated: _____, 2022.

**WRATHELL, HUNT & ASSOCIATES,
LLC, a Florida limited liability company**

By: _____

Name: _____

Title: _____

WILLOWS
COMMUNITY DEVELOPMENT DISTRICT

4C11

SECOND SUPPLEMENTAL TRUST INDENTURE

BETWEEN

WILLOWS COMMUNITY DEVELOPMENT DISTRICT

AND

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, AS
SUCCESSOR IN INTEREST TO U.S. BANK NATIONAL ASSOCIATION,**

AS TRUSTEE

Dated as of September 1, 2022

**[\$Bond Amount] Special Assessment Revenue Bonds,
Series 2022 (Assessment Area Two)**

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This Table of Contents is incorporated herein for ease of reference only and shall not be deemed a part of this Second Supplemental Trust Indenture.

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SECOND SUPPLEMENTAL TRUST INDENTURE

THIS SECOND SUPPLEMENTAL TRUST INDENTURE (this "Second Supplemental Indenture") is dated as of September 1, 2022, between **WILLOWS COMMUNITY DEVELOPMENT DISTRICT** (the "District") and **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, as successor in interest to U.S. Bank National Association, as trustee (the "Trustee"), a national banking association, authorized to accept and execute trusts of the character herein set forth, with its designated corporate trust office located at 500 West Cypress Creek Road, Suite 460, Fort Lauderdale, Florida 33309, Attention: Corporate Trust Department.

WHEREAS, the District entered into a Master Trust Indenture, dated as of April 1, 2019 (the "Master Indenture" and together with this Second Supplemental Indenture, the "Indenture") with the Trustee to secure the issuance of its Willows Community Development District Special Assessment Revenue Bonds (the "Bonds"), issuable in one or more Series from time to time; and

WHEREAS, pursuant to Resolution No. 2018-27, adopted by the Board of the District on September 18, 2018, the District has authorized the issuance, sale and delivery of not to exceed \$37,290,000 of Bonds, to be issued in one or more Series of Bonds as authorized under the Master Indenture, which Bonds were validated by final judgment of the Twelfth Judicial Circuit of Florida, in and for Manatee County on December 4, 2018, the appeal period for which expired with no appeal having been taken; and

WHEREAS, the Board of the District duly adopted Resolution No. 2019-04, on November 2, 2018, providing for the acquisition, construction and installation of assessable capital improvements (the "Capital Improvement Plan"), providing estimated Costs of the Capital Improvement Plan, defining assessable property to be benefited by the Capital Improvement Plan, defining the portion of the Costs of the Capital Improvement Plan with respect to which Special Assessments will be imposed and the manner in which such Special Assessments shall be levied against such benefited property within the District, directing the preparation of an assessment roll, and stating the intent of the District to issue Bonds of the District secured by such Special Assessments to finance the Costs of the acquisition, construction and installation of the Capital Improvement Plan and the Board of the District duly adopted Resolution No. 2019-06, on November 30, 2018, following a public hearing conducted in accordance with the Act, to fix and establish the Special Assessments and the benefited property; and

WHEREAS, pursuant to Resolution No. 2022-10, adopted by the Board of the District on August 26, 2022, the District has authorized the issuance, sale and delivery of, among other things, its \$[Bond Amount] Willows Community Development District Special Assessment Revenue Bonds, Series 2022 (Assessment Area Two) (the "Series 2022 Bonds"), which are issued hereunder as an issue of

Bonds under the Master Indenture, and has ratified and confirmed the Master Indenture and authorized the execution and delivery of this Second Supplemental Indenture to secure the issuance of the Series 2022 Bonds and to set forth the terms of the Series 2022 Bonds; and

WHEREAS, the District will apply the proceeds of the Series 2022 Bonds to (i) finance a portion of the Cost of acquiring, constructing and equipping assessable improvements comprising the Assessment Area Two Project (as defined herein), (ii) pay certain costs associated with the issuance of the Series 2022 Bonds, (iii) make a deposit into the Series 2022 Reserve Account to be held for the benefit of all of the Series 2022 Bonds, and (iv) pay a portion of the interest to become due on the Series 2022 Bonds; and

WHEREAS, the Series 2022 Bonds will be payable from and secured in part by revenues derived from Special Assessments imposed, levied and collected by the District with respect to property specially benefited by the Assessment Area Two Project (the "Series 2022 Assessments"); and

WHEREAS, the execution and delivery of the Series 2022 Bonds and of this Second Supplemental Indenture have been duly authorized by the Board of the District and all things necessary to make the Series 2022 Bonds, when executed by the District and authenticated by the Trustee, valid and binding legal obligations of the District and to make this Second Supplemental Indenture a valid and binding agreement and, together with the Master Indenture, a valid and binding lien on the Series 2022 Trust Estate (hereinafter defined) have been done;

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, THIS SECOND SUPPLEMENTAL INDENTURE WITNESSETH:

That the District, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the mutual covenants herein contained, the purchase and acceptance of the Series 2022 Bonds by the purchaser or purchasers thereof, and other good and valuable consideration, receipt of which is hereby acknowledged, and in order to further secure the payment of the principal and Redemption Price of, and interest on, all Series 2022 Bonds Outstanding from time to time, according to their tenor and effect, and such other payments required to be made under the Master Indenture or hereunder, and to further secure the observance and performance by the District of all the covenants, expressed or implied in the Master Indenture, in this Second Supplemental Indenture and in the Series 2022 Bonds (a) has executed and delivered this Second Supplemental Indenture and (b) does hereby, in confirmation of the Master Indenture, grant, bargain, sell, convey, transfer, assign and pledge unto the Trustee, and unto its successors in the trusts established under the Master Indenture, and to them and their successors and assigns forever, all right, title and interest of the District, in, to and under, subject to the terms and conditions of the Master Indenture and the provisions of the Master Indenture pertaining to the application thereof for or to the

purposes and on the terms set forth in the Master Indenture, the revenues derived by the District from the Series 2022 Assessments (the "Series 2022 Pledged Revenues") and the Funds and Accounts (except for the Series 2022 Rebate Account) established hereby (the "Series 2022 Pledged Funds") which shall constitute the trust estate securing the Series 2022 Bonds (the "Series 2022 Trust Estate");

TO HAVE AND TO HOLD all the same by the Master Indenture granted, bargained, sold, conveyed, transferred, assigned and pledged, or agreed or intended so to be, to the Trustee and its successors in said trust and to it and its assigns forever;

IN TRUST NEVERTHELESS, except as in each such case may otherwise be provided in the Master Indenture, upon the terms and trusts in the Indenture set forth for the equal and proportionate benefit, security and protection of all and singular the present and future Owners of the Series 2022 Bonds issued or to be issued under and secured by this Second Supplemental Indenture, without preference, priority or distinction as to lien or otherwise, of any one Series 2022 Bond over any other Series 2022 Bond by reason of priority in their issue, sale or execution;

PROVIDED HOWEVER, that if the District, its successors or assigns, shall well and truly pay, or cause to be paid, or make due provision for the payment of the principal and Redemption Price of the Series 2022 Bonds or any Series 2022 Bond of a particular maturity issued, secured and Outstanding under this Second Supplemental Indenture and the interest due or to become due thereon, at the times and in the manner mentioned in the Series 2022 Bonds and this Second Supplemental Indenture, according to the true intent and meaning thereof, and shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Master Indenture and this Second Supplemental Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions of the Master Indenture and this Second Supplemental Indenture, then upon such final payments, this Second Supplemental Indenture and the rights hereby granted shall cease and terminate, with respect to all Series 2022 Bonds or any Series 2022 Bond of a particular maturity, otherwise this Second Supplemental Indenture shall remain in full force and effect;

THIS SECOND SUPPLEMENTAL INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Series 2022 Bonds issued and secured hereunder are to be issued, authenticated and delivered and all of the rights and property pledged to the payment thereof are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as expressed in the Master Indenture (except as amended directly or by implication by this Second Supplemental Indenture) and this Second Supplemental Indenture, and the District

has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective Owners, from time to time, of the Series 2022 Bonds, as follows:

ARTICLE I DEFINITIONS

Section 101. Definitions. All terms used herein that are defined in the recitals hereto are used with the same meaning herein unless the context clearly requires otherwise. All terms used herein that are defined in the Master Indenture are used with the same meaning herein (including the use of such terms in the recitals hereto and the granting clauses hereof) unless (a) expressly given a different meaning herein or (b) the context clearly requires otherwise. In addition, unless the context clearly requires otherwise, the following terms used herein shall have the following meanings:

"Amortization Installments" shall mean the moneys required to be deposited in the Series 2022 Sinking Fund Account within the Debt Service Fund for the purpose of redeeming and paying when due any Term Bonds.

"Arbitrage Certificate" shall mean the Certificate as to Arbitrage and Certain Other Tax Matters of the District dated as of [Closing Date].

"Assessment Area Two" shall mean the [___] residential units within Phases [_____] of the District, as more fully described in the Engineer's Report and the Assessment Methodology.

"Assessment Area Two Project" shall mean that portion of the Capital Improvement Plan to be financed in part with the proceeds of the Series 2022 Bonds on deposit in the Series 2022 Acquisition and Construction Account, as more particularly described in the Engineer's Report.

"Assessment Methodology" shall mean the Master Special Assessment Methodology Report, dated June 25, 2018, as supplemented by the [Final Supplemental Special Assessment Methodology Report], dated September [___], 2022, each prepared by the Methodology Consultant.

"Authorized Denomination" shall mean, with respect to the Series 2022 Bonds, on the date of issuance, the denomination of \$5,000 and any integral multiple thereof; provided, however, if any initial Beneficial Owner does not purchase at least \$100,000 of the Series 2022 Bonds at the time of initial delivery of the Series 2022 Bonds, such Beneficial Owner must either execute and deliver to the District and the Underwriter on the date of delivery of the Series 2022 Bonds an investor letter substantially in the form attached hereto as Exhibit D or otherwise

establish to the satisfaction of the Underwriter that such Beneficial Owner is an "accredited investor," as described in Rule 501(a) under Regulation D of the Securities Act of 1933, as amended.

"Beneficial Owners" shall have the meaning given such term by DTC so long as it is the registered Owner through its Nominee, Cede & Co., of the Series 2022 Bonds as to which such reference is made to enable such Series 2022 Bonds to be held in book-entry only form, and shall otherwise mean the registered Owner on the registration books of the District maintained by the Registrar.

"Bond Depository" shall mean the securities depository from time to time under Section 201 hereof, which may be the District.

"Bond Participants" shall mean those broker-dealers, banks and other financial institutions from time to time for which the Bond Depository holds Series 2022 Bonds as securities depository.

"Capitalized Interest" shall mean, with respect to the interest due or to be due on the Series 2022 Bonds prior to, during and for a period not exceeding one year after the completion of the Assessment Area Two Project to be funded by the Series 2022 Bonds, all or part of such interest which will be paid, or is expected to be paid, from the proceeds of the Series 2022 Bonds.

"Collateral Assignment" shall mean the [Collateral Assignment] between the District and the Developer, dated as of [Closing Date].

"Completion Agreement" shall mean the [Completion Agreement] between the District and the Developer, dated as of [Closing Date].

"Delinquent Assessment Interest" shall mean Series 2022 Assessment Interest deposited by the District with the Trustee on or after May 1 of the year in which such Series 2022 Assessment Interest has, or would have, become delinquent under State law or the Series 2022 Assessment Proceedings applicable thereto.

"Delinquent Assessment Principal" shall mean Series 2022 Assessment Principal deposited by the District with the Trustee on or after May 1 of the year in which such Series 2022 Assessment Principal has, or would have, become delinquent under State law or the Series 2022 Assessment Proceedings applicable thereto.

"Delinquent Assessments" shall mean, collectively, Delinquent Assessment Principal and Delinquent Assessment Interest.

"Developer" shall mean D.R. Horton, Inc., a Delaware corporation.

"Direct Billed" shall mean Special Assessments or Operation and Maintenance Assessments, as applicable within the context in which such reference

is made, which are billed directly by the District rather than collected on the tax bill using the Uniform Method.

"DTC" shall mean The Depository Trust Company, and its successors and assigns.

"Engineer's Report" shall mean the Supplemental Engineer's Report for Infrastructure Improvements, dated August 2022, prepared by ZNS Engineering, L.C., a copy of which is attached hereto as Exhibit A.

"Interest Payment Date" shall mean each May 1 and November 1, commencing [November 1, 2022].

"Majority Owners" shall mean the Beneficial Owners of more than fifty percent (50%) in principal amount of the Outstanding Series 2022 Bonds.

"Methodology Consultant" shall mean Wrathell, Hunt & Associates, LLC.

"Nominee" shall mean the nominee of the Bond Depository, which may be the Bond Depository, as determined from time to time pursuant to this Second Supplemental Indenture.

"Operation and Maintenance Assessments" shall mean assessments described in Section 190.021(3) of the Act, for the maintenance of District facilities or the operations of the District.

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

"Rebate Amount" shall mean the amount, if any, required to be rebated to the United States pursuant to Section 148(f) of the Internal Revenue Code of 1986, as amended, and the regulations and rulings thereunder.

"Rebate Analyst" shall mean the person or firm selected by the District to calculate the Rebate Amount, which person or firm shall have recognized expertise in the calculation of the Rebate Amount.

"Redemption Date" shall mean a Quarterly Redemption Date in the case of a partial redemption of Outstanding Series 2022 Bonds, or any date in the case of the redemption of all of the Outstanding Series 2022 Bonds.

"Reserve Account Release Conditions #1" shall mean, collectively, that (i) all lots subject to the Series 2022 Assessments have been developed and platted, (ii) all Series 2022 Assessments are being collected pursuant to the Uniform Method, and (iii) there are no Events of Default occurring or continuing under the Master Indenture. The Consulting Engineer shall provide a written certification to the District and the Trustee certifying that the event in clause (i) has occurred and the

District Manager shall provide a written certification to the District and the Trustee certifying that the event in clause (ii) has occurred and affirming clause (iii), on which certifications the Trustee may conclusively rely.

"Reserve Account Release Conditions #2" shall mean, collectively, that (i) all of the Reserve Account Release Conditions #1 have been satisfied, (ii) all homes within the District have been built, sold and closed with end-users, and (iii) all of the principal portion of the Series 2022 Assessments has been assigned to such homes. The District Manager shall provide a written certification to the District and the Trustee certifying that the events in clauses (i) through (iii) have occurred, on which certifications the Trustee may conclusively rely.

"Series 2022 Assessment Interest" shall mean the interest on the Series 2022 Assessments which is pledged to the Series 2022 Bonds.

"Series 2022 Assessment Principal" shall mean the principal amount of Series 2022 Assessments received by the District which represents a proportionate amount of the principal of and Amortization Installments of the Series 2022 Bonds, other than applicable Delinquent Assessment Principal and Series 2022 Prepayments.

"Series 2022 Assessment Proceedings" shall mean the proceedings of the District with respect to the establishment, levy and collection of the Series 2022 Assessments which include Resolution Nos. 2019-04, 2019-05, 2019-06 and 2022-[_], adopted by the Board of the District, and any supplemental proceedings undertaken by the District with respect to the Series 2022 Assessments and the Assessment Methodology as approved thereby.

"Series 2022 Assessment Revenues" shall mean all revenues derived by the District from the Series 2022 Assessments, including Delinquent Assessments, proceeds from any foreclosure of the lien of Delinquent Assessments and any statutory interest on the Delinquent Assessments collected by the District in excess of the rate of interest on the Series 2022 Bonds.

"Series 2022 Assessments" shall mean the non-ad valorem special assessments imposed, levied and collected by the District in accordance with the Series 2022 Assessment Proceedings.

"Series 2022 Investment Obligations" shall mean and includes any of the following securities, if and to the extent that such securities are legal investments for funds of the District:

- (a) Government Obligations;
- (b) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies or such other government – sponsored agencies which

may presently exist or be hereafter created; provided that, such bonds, debentures, notes or other evidences of indebtedness are fully guaranteed as to both principal and interest by the Government National Mortgage Association (including participation certificates issued by such association); Fannie Mae (including participation certificates issued by such entity); Federal Home Loan Banks; Federal Farm Credit Banks; Tennessee Valley Authority; Federal Home Loan Mortgage Corporation and repurchase agreements secured by such obligations, which funds are rated in the highest categories for such funds by both Moody's and S&P at the time of purchase;

(c) Both (i) shares of a diversified open-end management investment company (as defined in the Investment Company Act of 1940) or a regulated investment company (as defined in Section 851(a) of the Code) that is a money market fund that is rated in the highest rating category for such funds by Moody's and S&P, and (ii) shares of money market mutual funds that invest only in the obligations described in (a) and (b) above;

(d) Money market deposit accounts, time deposits, and certificates of deposits issued by commercial banks, savings and loan associations or mutual savings banks whose short-term obligations are rated, at the time of purchase, in one of the two highest rating categories, without regard to gradation, by Moody's and S&P; and

(e) Commercial paper (having maturities of not more than 270 days) rated, at the time of purchase, in one of the two highest rating categories, without regard to gradation, by Moody's and S&P.

Under all circumstances, the Trustee shall be entitled to conclusively rely that any investment directed in writing by a Responsible Officer of the District is permitted under the Indenture and is a legal investment for funds of the District.

"Series 2022 Prepayment Interest" shall mean the interest on the Series 2022 Prepayments received by the District.

"Series 2022 Prepayments" shall mean the excess amount of Series 2022 Assessment Principal received by the District over the Series 2022 Assessment Principal included within a Series 2022 Assessment appearing on any outstanding and unpaid tax bill or direct collect invoice, whether or not mandated to be prepaid in accordance with the Series 2022 Assessment Proceedings. Anything herein or in the Master Indenture to the contrary notwithstanding, the term Series 2022 Prepayments shall not mean the proceeds of any refunding Bonds or other borrowing of the District.

"Series 2022 Reserve Account Requirement" shall mean an amount equal to fifty percent (50%) of the maximum annual Debt Service Requirement for all Outstanding Series 2022 Bonds, as of the time of any such calculation, until such

time as the Reserve Account Release Conditions #1 are met, at which time and thereafter, Series 2022 Reserve Account Requirement shall mean an amount equal to twenty-five percent (25%) of the maximum annual Debt Service Requirement for all Outstanding Series 2022 Bonds, as of the time of any such calculation, until such time as the Reserve Account Release Conditions #2 are met, at which time and thereafter, Series 2022 Reserve Account Requirement shall mean an amount equal to ten percent (10%) of the maximum annual Debt Service Requirement for all Outstanding Series 2022 Bonds, as of the time of any such calculation. On the date of initial issuance of the Series 2022 Bonds, the Series 2022 Reserve Account Requirement shall be \$[RAR].

"Substantially Absorbed" shall mean the date on which the principal amount of the Series 2022 Assessments equaling seventy-five percent (75%) of the then Outstanding principal amount of the Series 2022 Bonds is levied on tax parcels within Assessment Area Two with respect to which a certificate of occupancy has been issued for a structure thereon and are owned by end users, as certified by a Responsible Officer and upon which the Trustee may conclusively rely.

"Tax Regulatory Covenants" shall mean the covenants of the District necessary for the preservation of the excludability of interest thereon from gross income for federal income tax purposes, as such covenants shall be amended from time to time upon written instructions from Bond Counsel.

"Term Bonds" shall mean Series 2022 Bonds that mature on one date and that are subject to mandatory redemption from Amortization Installments.

"True-Up Agreement" shall mean the [True-Up Agreement] between the District and the Developer, dated as of [Closing Date].

"Underwriter" shall mean FMSbonds, Inc., the underwriter of the Series 2022 Bonds.

"Uniform Method" shall mean the uniform method for the levy, collection and enforcement of Special Assessments afforded by Sections 197.3631, 197.3632 and 197.3635, Florida Statutes, or any successor statutes.

ARTICLE II AUTHORIZATION, ISSUANCE AND PROVISIONS OF SERIES 2022 BONDS

Section 201. Authorization of Series 2022 Bonds; Book-Entry Only Form. The Series 2022 Bonds are hereby authorized to be issued in one Series in the aggregate principal amount of \$[Bond Amount] for the purposes enumerated in the recitals hereto to be designated "Willows Community Development District

Special Assessment Revenue Bonds, Series 2022 (Assessment Area Two)." The Series 2022 Bonds shall be substantially in the form attached hereto as Exhibit B. Each Series 2022 Bond shall bear the designation "2022R" and shall be numbered consecutively from 1 upwards.

The Series 2022 Bonds shall be initially issued in the form of a separate single certificated fully registered Series 2022 Bond for each maturity thereof. Upon initial issuance, the ownership of each such Series 2022 Bond shall be registered in the registration books kept by the Registrar in the name of Cede & Co., as Nominee of DTC, the initial Bond Depository. Except as provided in this Section 201, all of the Outstanding Series 2022 Bonds shall be registered in the registration books kept by the Registrar in the name of Cede & Co., as Nominee of DTC.

With respect to Series 2022 Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as Nominee of DTC, the District, the Trustee, the Registrar and the Paying Agent shall have no responsibility or obligation to any such Bond Participant or to any indirect Bond Participant. Without limiting the immediately preceding sentence, the District, the Trustee, the Registrar and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co., or any Bond Participant with respect to any ownership interest in the Series 2022 Bonds, (ii) the delivery to any Bond Participant or any other person other than an Owner, as shown in the registration books kept by the Registrar, of any notice with respect to the Series 2022 Bonds, including any notice of redemption, or (iii) the payment to any Bond Participant or any other person, other than an Owner, as shown in the registration books kept by the Registrar, of any amount with respect to principal of, premium, if any, or interest on the Series 2022 Bonds. The District, the Trustee, the Registrar and the Paying Agent shall treat and consider the person in whose name each Series 2022 Bond is registered in the registration books kept by the Registrar as the absolute Owner of such Series 2022 Bond for the purpose of payment of principal, premium and interest with respect to such Series 2022 Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2022 Bond, for the purpose of registering transfers with respect to such Series 2022 Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, premium, if any, and interest on the Series 2022 Bonds only to or upon the order of the respective Owners, as shown in the registration books kept by the Registrar, or their respective attorneys duly authorized in writing, as provided herein and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of, premium, if any, and interest on the Series 2022 Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the registration books kept by the Registrar, shall receive a certificated Series 2022 Bond evidencing the obligation of the District to make payments of principal, premium, if any, and interest pursuant to the provisions hereof. Upon delivery by DTC to the District of

written notice to the effect that DTC has determined to substitute a new Nominee in place of Cede & Co., and subject to the provisions herein with respect to Record Dates, the words "Cede & Co." in this Second Supplemental Indenture shall refer to such new Nominee of DTC, and upon receipt of such a notice the District shall promptly deliver a copy of the same to the Trustee, the Registrar and the Paying Agent.

Upon receipt by the Trustee or the District of written notice from DTC (i) confirming that DTC has received written notice from the District to the effect that a continuation of the requirement that all of the Outstanding Series 2022 Bonds be registered in the registration books kept by the Registrar in the name of Cede & Co., as Nominee of DTC, is not in the best interest of the Beneficial Owners of the Series 2022 Bonds, or (ii) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute Bond Depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, the Series 2022 Bonds shall no longer be restricted to being registered in the registration books kept by the Registrar in the name of Cede & Co., as Nominee of DTC, but may be registered in whatever name or names Owners transferring or exchanging the Series 2022 Bonds shall designate, in accordance with the provisions hereof.

Section 202. Terms. The Series 2022 Bonds shall be issued as [___] (___) Term Bonds, shall be dated as of the date of their issuance and delivery to the initial purchasers thereof, shall bear interest at the fixed interest rates per annum and shall mature in the amounts and on the dates set forth below:

<u>Number</u>	<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>CUSIP</u>
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Section 203. Dating; Interest Accrual. Each Series 2022 Bond shall be dated [Closing Date]. Each Series 2022 Bond shall also bear its date of authentication. Each Series 2022 Bond shall bear interest from the Interest Payment Date to which interest has been paid next preceding the date of its authentication, unless the date of its authentication (i) is an Interest Payment Date to which interest on such Series 2022 Bond has been paid, in which event such Series 2022 Bond shall bear interest from its date of authentication, or (ii) is prior to the first Interest Payment Date for the Series 2022 Bonds, in which event such Series 2022 Bond shall bear interest from its date. Interest on the Series 2022 Bonds shall be due and payable on each May 1 and November 1, commencing [November 1, 2022], and shall be computed on the basis of a 360-day year comprised of twelve (12) thirty (30) day months.

Section 204. Denominations. The Series 2022 Bonds shall be issued in Authorized Denominations.

Section 205. Paying Agent. The District appoints the Trustee as Paying Agent for the Series 2022 Bonds.

Section 206. Registrar. The District appoints the Trustee as Registrar for the Series 2022 Bonds.

Section 207. Conditions Precedent to Issuance of Series 2022 Bonds. In addition to complying with the requirements set forth in the Master Indenture in connection with the issuance of the Series 2022 Bonds, all the Series 2022 Bonds shall be executed by the District for delivery to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the District or upon its order, but only upon the further receipt by the Trustee of:

- (a) certified copies of the Series 2022 Assessment Proceedings;
- (b) executed copies of the Master Indenture and this Second Supplemental Indenture;
- (c) a customary Bond Counsel opinion;
- (d) the District Counsel opinion required by the Master Indenture;
- (e) a certificate of a Responsible Officer to the effect that, upon the authentication and delivery of the Series 2022 Bonds, the District will not be in default in the performance of the terms and provisions of the Master Indenture or this Second Supplemental Indenture;
- (f) a certificate of the Consulting Engineer and a copy of the Engineer's Report, which sets forth the estimated Costs of the Assessment Area Two Project;
- (g) a certificate of the Methodology Consultant addressing the validity of the Series 2022 Assessments;
- (h) a certified copy of the final judgment of validation in respect of the Bonds together with a certificate of no appeal; and
- (i) an executed Collateral Assignment, Completion Agreement and True-Up Agreement.

Payment to the Trustee of the net proceeds of the Series 2022 Bonds in the amount of \$[NP] shall conclusively evidence that the foregoing conditions precedent have been met to the satisfaction of the District and the Underwriter.

**ARTICLE III
REDEMPTION OF SERIES 2022 BONDS**

Section 301. Bonds Subject to Redemption. The Series 2022 Bonds are subject to redemption prior to maturity as provided in the form thereof attached hereto as Exhibit B. Interest on Series 2022 Bonds which are called for redemption shall be paid on the date of redemption from the Series 2022 Interest Account or from the Series 2022 Revenue Account to the extent moneys in the Series 2022 Interest Account are insufficient for such purpose.

**ARTICLE IV
DEPOSIT OF SERIES 2022 BOND PROCEEDS AND
APPLICATION THEREOF; ESTABLISHMENT OF ACCOUNTS
AND OPERATION THEREOF**

Section 401. Establishment of Accounts. There are hereby established, as needed, the following Accounts:

(a) within the Acquisition and Construction Fund held by the Trustee a Series 2022 Acquisition and Construction Account and a Series 2022 Costs of Issuance Account;

(b) within the Debt Service Fund held by the Trustee a Series 2022 Sinking Fund Account, a Series 2022 Interest Account and a Series 2022 Capitalized Interest Account;

(c) within the Bond Redemption Fund held by the Trustee a Series 2022 Redemption Account and therein a Series 2022 Prepayment Subaccount and a Series 2022 Optional Redemption Subaccount;

(d) within the Debt Service Reserve Fund held by the Trustee a Series 2022 Reserve Account, which shall be held for the benefit of all of the Series 2022 Bonds, without distinction as to Series 2022 Bonds and without privilege or priority of one Series 2022 Bond over another;

(e) within the Revenue Fund held by the Trustee a Series 2022 Revenue Account; and

(f) within the Rebate Fund held by the Trustee a Series 2022 Rebate Account.

Section 402. Use of Series 2022 Bond Proceeds. The net proceeds of sale of the Series 2022 Bonds in the amount of \$[NP] (consisting of \$[Bond Amount].00 principal amount of Series 2022 Bonds [less/plus] [net] original issue [discount/premium] in the amount of \$[OID/OIP] and less underwriter's discount in

the amount of \$[UD]), shall as soon as practicable upon the delivery thereof to the Trustee by the District pursuant to Section 3.01 of the Master Indenture, be applied as follows:

(a) \$[RAR], representing the Series 2022 Reserve Account Requirement at the time of issuance of the Series 2022 Bonds, shall be deposited to the credit of the Series 2022 Reserve Account;

(b) \$[COI], representing the costs of issuance relating to the Series 2022 Bonds, shall be deposited to the credit of the Series 2022 Costs of Issuance Account;

(c) \$[CAPI], representing Capitalized Interest on the Series 2022 Bonds through and including [November 1, 2022], shall be deposited to the credit of the Series 2022 Capitalized Interest Account; and

(d) \$[CD] shall be deposited to the credit of the Series 2022 Acquisition and Construction Account.

Section 403. Series 2022 Acquisition and Construction Account; Series 2022 Costs of Issuance Account.

(a) Amounts on deposit in the Series 2022 Acquisition and Construction Account shall be applied to pay Costs of the Assessment Area Two Project upon compliance with the requisition provisions set forth in Section 5.01 of the Master Indenture and on the form attached hereto as Exhibit C. The Trustee shall have no duty to verify that any requested disbursement from the Series 2022 Acquisition and Construction Account is for a Cost of the Assessment Area Two Project. The Consulting Engineer shall establish a Completion Date for the Assessment Area Two Project, and any balance remaining in the Series 2022 Acquisition and Construction Account after such Completion Date (taking into account the moneys then on deposit therein to pay any accrued but unpaid Costs of the Assessment Area Two Project which are required to be reserved in the Series 2022 Acquisition and Construction Account in accordance with the certificate of the Consulting Engineer delivered to the District and the Trustee establishing such Completion Date), shall be transferred to the Series 2022 Prepayment Subaccount and applied to the extraordinary mandatory redemption of the Series 2022 Bonds in accordance with Section 301 hereof and in the manner prescribed in the form of Series 2022 Bond attached hereto as Exhibit B. Notwithstanding the foregoing, the District shall not establish a Completion Date until after the Reserve Account Release Conditions #1 and Reserve Account Release Conditions #2 have been satisfied and moneys have been transferred from the Series 2022 Reserve Account to the Series 2022 Acquisition and Construction Account as a result of such satisfaction pursuant to Section 405 hereof. At such time as there are no amounts on deposit in the Series 2022 Acquisition and Construction Account, such Account shall be closed.

(b) The amount deposited in the Series 2022 Costs of Issuance Account shall, at the written direction of a Responsible Officer to the Trustee, be used to pay the costs of issuance relating to the Series 2022 Bonds. On the earlier to occur of (x) the written direction of a Responsible Officer or (y) six (6) months from the date of issuance of the Series 2022 Bonds, any amounts deposited in the Series 2022 Costs of Issuance Account for which the Trustee has not received a requisition to pay such costs shall be transferred over and deposited into the Series 2022 Acquisition and Construction Account and used for the purposes permitted therefor. Any deficiency in the amount allocated to pay the costs of issuance relating to the Series 2022 Bonds shall be paid from excess moneys on deposit in the Series 2022 Revenue Account pursuant to Section 408(d) hereof. When such deficiency has been satisfied and no moneys remain therein, the Series 2022 Costs of Issuance Account shall be closed.

Section 404. Series 2022 Capitalized Interest Account. Amounts on deposit in the Series 2022 Capitalized Interest Account shall, until and including [November 1, 2022], be transferred into the Series 2022 Interest Account and applied to the payment of interest first coming due on the Series 2022 Bonds in accordance with Section 408(d) hereof, and thereafter transferred into the Series 2022 Acquisition and Construction Account, whereupon the Series 2022 Capitalized Interest Account shall be closed.

Section 405. Series 2022 Reserve Account. The Series 2022 Reserve Account shall be funded and maintained at all times in an amount equal to the Series 2022 Reserve Account Requirement. Except as otherwise provided herein or in the Master Indenture, amounts on deposit in the Series 2022 Reserve Account shall be used only for the purpose of making payments into the Series 2022 Interest Account and the Series 2022 Sinking Fund Account to pay the Debt Service Requirements on the Series 2022 Bonds, when due, without distinction as to Series 2022 Bonds and without privilege or priority of one Series 2022 Bond over another, to the extent the moneys on deposit in such Accounts available therefor are insufficient and for no other purpose. The Series 2022 Reserve Account shall consist only of cash and Series 2022 Investment Obligations.

Anything herein or in the Master Indenture to the contrary notwithstanding, on the forty-fifth (45th) day preceding each Quarterly Redemption Date (or, if such forty-fifth (45th) day is not a Business Day, on the Business Day preceding such forty-fifth (45th) day), the Trustee is hereby authorized and directed to recalculate the Series 2022 Reserve Account Requirement and to transfer any excess on deposit in the Series 2022 Reserve Account (i) resulting from Prepayments of Series 2022 Assessments into the Series 2022 Prepayment Subaccount and applied to the extraordinary mandatory redemption of the Series 2022 Bonds, (ii) resulting from a reduction of the Series 2022 Reserve Account Requirement as the result of either the Reserve Account Release Conditions #1 or the Reserve Account Release Conditions #2 being met into the Series 2022 Acquisition and Construction Account

and used for the purposes of such Account, or (iii) resulting from investment earnings as provided in Section 408(f) herein.

On the earliest date on which there is on deposit in the Series 2022 Reserve Account sufficient moneys, after taking into account other moneys available therefor, to pay and redeem all of the Outstanding Series 2022 Bonds, together with accrued interest and redemption premium, if any, on such Series 2022 Bonds to the earliest Redemption Date permitted therein and herein, then the Trustee shall transfer the amount on deposit in the Series 2022 Reserve Account into the Series 2022 Prepayment Subaccount to pay and redeem all of the Outstanding Series 2022 Bonds on the earliest Redemption Date permitted for redemption therein and herein.

Anything herein or in the Master Indenture to the contrary notwithstanding, amounts on deposit in the Series 2022 Reserve Account shall, upon the occurrence and continuance of an Event of Default, be subject to a first charge by the Trustee for its fees and expenses, including fees and expenses of collection of Delinquent Assessments.

Section 406. Amortization Installments; Selection of Bonds for Redemption. (a) The Amortization Installments established for the Series 2022 Bonds shall be as set forth in the form of Series 2022 Bonds attached hereto.

(b) Upon any redemption of Series 2022 Bonds (other than Series 2022 Bonds redeemed in accordance with scheduled Amortization Installments), the Trustee shall cause Series 2022 Bonds to be redeemed in such amounts and having such maturities so as to result in Amortization Installments recalculated, which recalculation shall be performed by the District, in such manner as shall amortize all the Outstanding Series 2022 Bonds of all of the maturities in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining terms of all of the Series 2022 Bonds.

Section 407. Tax Covenants. The District shall comply with the Arbitrage Certificate, including but not limited to the Tax Regulatory Covenants set forth as an exhibit to the Arbitrage Certificate, as amended and supplemented from time to time in accordance with their terms.

Section 408. Series 2022 Revenue Account; Application of Revenues and Investment Earnings. (a) The Trustee is hereby authorized and directed to deposit any and all amounts required to be deposited in the Series 2022 Revenue Account by this Section 408 or by any other provision of the Master Indenture or this Second Supplemental Indenture, and any other amounts or payments specifically designated by the District pursuant to a written direction or by a Supplemental Indenture for said purpose. The Series 2022 Revenue Account shall

be held by the Trustee separate and apart from all other Funds and Accounts held under the Indenture and from all other moneys of the Trustee.

(b) The Trustee shall deposit into the Series 2022 Revenue Account (i) Series 2022 Assessment Revenues other than Series 2022 Prepayments (which Series 2022 Prepayments shall be identified by the District to the Trustee as such in writing upon deposit, upon which certification the Trustee may conclusively rely, and which shall be deposited into the Series 2022 Prepayment Subaccount), (ii) Series 2022 Prepayment Interest, and (iii) any other revenues required by other provisions of the Indenture to be deposited into the Series 2022 Revenue Account.

(c) On each March 15, June 15, September 15 and December 15 (or if such date is not a Business Day, on the Business Day preceding such date), the Trustee shall determine the amount on deposit in the Series 2022 Prepayment Subaccount and, if the balance therein is greater than zero, shall, upon written direction from the District, transfer from the Series 2022 Revenue Account for deposit into the Series 2022 Prepayment Subaccount an amount sufficient to increase the amount on deposit therein to the nearest integral multiple of \$5,000 (provided that there are sufficient funds remaining in the Series 2022 Revenue Account to pay the Debt Service Requirements coming due on the Series 2022 Bonds on the next succeeding Interest Payment Date), and shall thereupon give notice and cause the extraordinary mandatory redemption of the Series 2022 Bonds on the next succeeding Redemption Date in the maximum aggregate principal amount for which moneys are then on deposit in the Series 2022 Prepayment Subaccount in accordance with the provisions for extraordinary mandatory redemption of the Series 2022 Bonds set forth in the form of Series 2022 Bonds attached hereto, Section 301 hereof, and Article VIII of the Master Indenture.

(d) On May 1 and November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such May 1 or November 1), the Trustee shall first transfer from the Series 2022 Capitalized Interest Account to the Series 2022 Interest Account the lesser of (x) the amount of interest coming due on the Series 2022 Bonds on such May 1 or November 1, less the amount already on deposit in the Series 2022 Interest Account, or (y) the amount remaining in the Series 2022 Capitalized Interest Account. Following the foregoing transfer, on such May 1 or November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such May 1 or November 1), the Trustee shall then transfer amounts on deposit in the Series 2022 Revenue Account to the Accounts designated below in the following amounts and in the following order of priority:

FIRST, to the Series 2022 Interest Account, the amount, if any, equal to the difference between the amount of interest payable on all Series 2022 Bonds then Outstanding on such May 1 or November 1, and (i) the amount transferred from the Series 2022 Capitalized Interest Account in accordance with this Section 408(d) and

(ii) the amount already on deposit in the Series 2022 Interest Account not previously credited;

SECOND, on May 1, 20[___], and on each May 1 thereafter, to the Series 2022 Sinking Fund Account, the amount, if any, equal to the difference between the Amortization Installments of all Series 2022 Bonds subject to mandatory sinking fund redemption on such May 1 and the amount already on deposit in the Series 2022 Sinking Fund Account not previously credited;

THIRD, to the Series 2022 Reserve Account, the amount, if any, which is necessary to make the amount on deposit therein equal to the Series 2022 Reserve Account Requirement with respect to the Series 2022 Bonds; and

FOURTH, the balance shall first be deposited into the Series 2022 Costs of Issuance Account to fund any deficiencies in the amount allocated to pay the costs of issuance relating to the Series 2022 Bonds, and then the balance shall be retained in the Series 2022 Revenue Account.

(e) On any date required by the Arbitrage Certificate, the District shall give the Trustee written direction to, and the Trustee shall, transfer from the Series 2022 Revenue Account to the Series 2022 Rebate Account the amount due and owing to the United States, which amount shall be paid to the United States when due in accordance with such Arbitrage Certificate.

(f) Anything herein or in the Master Indenture to the contrary notwithstanding, moneys on deposit in all of the Funds and Accounts held as security for the Series 2022 Bonds shall be invested only in Series 2022 Investment Obligations. Earnings on investments in the Series 2022 Acquisition and Construction Account, the Series 2022 Interest Account and the Series 2022 Capitalized Interest Account shall be retained, as realized, in such Accounts and used for the purpose of such Accounts. Earnings on investments in the Funds and Accounts other than the Series 2022 Reserve Account, and other than as set forth above, shall be deposited, as realized, to the credit of the Series 2022 Revenue Account and used for the purpose of such Account.

Earnings on investments in the Series 2022 Reserve Account shall be disposed of as follows:

(i) if there was no deficiency in the Series 2022 Reserve Account as of the most recent date on which amounts on deposit in the Series 2022 Reserve Account were valued by the Trustee, and if no withdrawals have been made from the Series 2022 Reserve Account since such date which have created a deficiency, then earnings on investments in the Series 2022 Reserve Account shall be deposited into the Series 2022 Capitalized Interest Account through [November 1, 2022], and thereafter shall be deposited into the Series 2022 Revenue Account and used for the purpose of such Account; or

(ii) if there was a deficiency in the Series 2022 Reserve Account as of the most recent date on which amounts on deposit in the Series 2022 Reserve Account were valued by the Trustee, or if after such date withdrawals have been made from the Series 2022 Reserve Account and have created such a deficiency, then earnings on investments in the Series 2022 Reserve Account shall be retained in the Series 2022 Reserve Account until the amount on deposit therein is equal to the Series 2022 Reserve Account Requirement, and then earnings on investments in the Series 2022 Reserve Account shall be deposited into the Series 2022 Capitalized Interest Account through [November 1, 2022], and thereafter shall be deposited into the Series 2022 Revenue Account and used for the purpose of such Account.

The foregoing determination and disbursement shall be made prior to any recalculation and transfer of excess amounts on deposit in the Series 2022 Reserve Account made pursuant to Section 405 hereof.

ARTICLE V CONCERNING THE TRUSTEE

Section 501. Acceptance by Trustee. The Trustee accepts the trusts declared and provided in this Second Supplemental Indenture and agrees to perform such trusts upon the terms and conditions set forth herein and in the Master Indenture.

Section 502. Limitation of Trustee's Responsibility. The Trustee shall not be responsible in any manner for the due execution of this Second Supplemental Indenture by the District or for the recitals contained herein, all of which are made solely by the District.

Section 503. Trustee's Duties. Nothing contained herein shall limit the rights, benefits, privileges, protection and entitlements inuring to the Trustee under the Master Indenture, including, particularly, Article XI thereof.

ARTICLE VI ADDITIONAL BONDS

Section 601. No Parity Bonds; Limitation on Parity Special Assessments. Other than Bonds issued to refund the then Outstanding Series 2022 Bonds, the issuance of which results in net present value debt service savings, the District shall not, while any Series 2022 Bonds are Outstanding, issue or incur any debt payable in whole or in part from the Series 2022 Trust Estate. The District further covenants and agrees that so long as the Series 2022 Assessments have not been Substantially Absorbed, it will not impose Special Assessments for

capital projects on any lands subject to the Series 2022 Assessments without the written consent of the Majority Owners. Notwithstanding the immediately preceding sentence, the District may impose Special Assessments on property subject to the Series 2022 Assessments which are necessary for health, safety or welfare reasons, or to remediate a natural disaster, or to effect repairs to or replacement of property, facilities or equipment of the District without the consent of the Majority Owners.

ARTICLE VII MISCELLANEOUS

Section 701. Confirmation of Master Indenture. As supplemented by this Second Supplemental Indenture, the Master Indenture is in all respects ratified and confirmed, and this Second Supplemental Indenture shall be read, taken and construed as a part of the Master Indenture so that all of the rights, remedies, terms, conditions, covenants and agreements of the Master Indenture, except insofar as modified herein, shall apply and remain in full force and effect with respect to this Second Supplemental Indenture and to the Series 2022 Bonds issued hereunder.

Section 702. Continuing Disclosure Agreement. Contemporaneously with the execution and delivery hereof, the District has executed and delivered a Continuing Disclosure Agreement in order to comply with the requirements of the Rule. The District covenants and agrees to comply with the provisions of such Continuing Disclosure Agreement. However, as set forth therein, failure to so comply shall not constitute an Event of Default hereunder, but instead shall be enforceable as provided in such Continuing Disclosure Agreement.

Section 703. Additional Covenant Regarding Special Assessments. In addition to, and not in limitation of, the covenants contained elsewhere in this Second Supplemental Indenture and in the Master Indenture, the District covenants to comply with the terms of the Series 2022 Assessment Proceedings heretofore adopted with respect to the Series 2022 Assessments, including the Assessment Methodology, and to levy the Series 2022 Assessments and collect 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 2022 Bonds, when due.

Section 704. Collection of Special Assessments. (a) Anything herein or in the Master Indenture to the contrary notwithstanding, when permitted by law, Series 2022 Assessments levied on platted lots and pledged hereunder to secure the Series 2022 Bonds shall be collected pursuant to the Uniform Method, and Series 2022 Assessments levied on unplatted lands and pledged hereunder to secure the Series 2022 Bonds shall be collected directly by the District pursuant to the Act and

Chapters 170 and 197, Florida Statutes, and not pursuant to the Uniform Method, in each case unless otherwise directed by the Trustee acting at the direction of the Majority Owners upon the occurrence and continuance of an Event of Default.

(b) A proportionate amount of the Series 2022 Assessments that are collected directly by the District and not via the Uniform Method shall be due and payable by each landowner no later than thirty (30) days prior to each respective Interest Payment Date.

Section 705. Foreclosure of Assessment Lien. Notwithstanding Section 9.06 of the Master Indenture or any other provision of the Indenture to the contrary, the following provisions shall apply with respect to the Series 2022 Assessments and Series 2022 Bonds.

If any property shall be offered for sale for the nonpayment of any Series 2022 Assessments and no person or persons shall purchase such property for an amount equal to the full amount due on the Series 2022 Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the property may then be purchased by the District for an amount less than or equal to the balance due on the Series 2022 Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), from any legally available funds of the District and the District shall receive, in its corporate name or in the name of a special purpose entity, title to the property for the benefit of the Owners of the Series 2022 Bonds; provided that the Trustee shall have the right acting at the direction of the Majority Owners, but shall not be obligated, to direct the District with respect to any action taken pursuant to this Section 705. The District, either through its own actions or actions caused to be taken through the Trustee, shall have the power to lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the Series 2022 Revenue Account. The District, either through its own actions or actions caused to be taken through the Trustee, agrees that it shall, after being provided assurances satisfactory to it of payment of its fees, costs and expenses for doing so, be required to take the measures provided by law for listing for sale of property acquired by it as trustee for the benefit of the Owners of the Series 2022 Bonds within sixty (60) days after the receipt of the request therefor signed by the Trustee or the Majority Owners. The Trustee may, upon direction from the Majority Owners, pay costs associated with any actions taken by the District pursuant to this paragraph from any moneys legally available for such purpose held under the Indenture.

Section 706. Owner Direction and Consent with Respect to Series 2022 Acquisition and Construction Account Upon Occurrence of Event of Default. In accordance with the provisions of the Indenture, the Series 2022 Bonds are payable solely from the Series 2022 Pledged Revenues and the Series 2022 Pledged Funds held by the Trustee under the Indenture for such purpose. Anything in the Indenture to the contrary notwithstanding, the District hereby acknowledges

that (i) the Series 2022 Pledged Funds includes, without limitation, all amounts on deposit in the Series 2022 Acquisition and Construction Account then held by the Trustee, (ii) upon the occurrence of an Event of Default with respect to the Series 2022 Bonds, the Series 2022 Pledged Funds may not be used by the District (whether to pay Costs of the Assessment Area Two Project or otherwise) without the consent of the Majority Owners, except to the extent that prior to the Trustee notifying the District of such declared Event of Default the District had incurred a binding obligation with third parties for work on the Assessment Area Two Project and payment is for such work, and (iii) upon the occurrence of an Event of Default with respect to the Series 2022 Bonds, the Series 2022 Pledged Funds may be used by the Trustee, at the direction or with the approval of the Majority Owners, to pay the reasonable costs and expenses incurred in connection with the pursuit of remedies under the Indenture. The District shall not enter into any binding agreement with respect to the Assessment Area Two Project that will cause the expenditure of additional funds from the Series 2022 Trust Estate after the occurrence and during the continuance of an Event of Default unless authorized in writing by the Majority Owners.

Section 707. Assignment of District's Rights Under Collateral Assignment. Subject to the terms of the Collateral Assignment, the District hereby assigns its rights under the Collateral Assignment to the Trustee for the benefit of the Owners, from time to time, of the Series 2022 Bonds. The Trustee shall not be deemed to have accepted any obligation under the Collateral Assignment by virtue of such assignment.

Section 708. Enforcement of True-Up Agreement and Completion Agreement. The District, either through its own actions, or actions caused to be taken through the Trustee, covenants that it shall strictly enforce all of the provisions of the True-Up Agreement and the Completion Agreement and, upon the occurrence and continuance of a default under either or both of such Agreements, the District covenants and agrees that the Trustee, at the direction of the Majority Owners, shall act on behalf of and in the District's stead to enforce the provisions of such Agreements and to pursue all available remedies under applicable law or in equity. Anything herein or in the Master Indenture to the contrary notwithstanding, failure of the District to enforce, or permit the Trustee to enforce in its stead, all of the provisions of the True-Up Agreement and the Completion Agreement upon demand of the Majority Owners, or the Trustee at the direction of the Majority Owners, shall constitute an Event of Default under the Indenture, provided, however, that the District shall have a reasonable opportunity to cure.

Section 709. Payment of Rebate Amount. Anything herein or in the Master Indenture to the contrary notwithstanding, the District shall cause a Rebate Analyst to determine the Rebate Amount, if any, at the times and in the manner provided in the Tax Regulatory Covenants attached as an exhibit to the Arbitrage Certificate. If a Rebate Amount shall be due, the District shall deliver to the

Trustee the written direction of a Responsible Officer to pay from the Series 2022 Rebate Account, or from any other available funds as shall be provided in such written direction, the Rebate Amount to the District for remittance to the Internal Revenue Service. The Trustee may conclusively rely on such written direction and shall have no responsibility for the calculation or payment of the Rebate Amount, if any. The District shall not be required to provide the report of the Rebate Analyst to the Trustee.

Section 710. Provisions Relating to Bankruptcy or Insolvency of Landowner. (a) The provisions of this Section 710 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, or tax parcels which are in the aggregate, subject to at least three percent (3%) of the Series 2022 Assessments pledged to the Series 2022 Bonds (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").

(b) The District acknowledges and agrees that, although the Series 2022 Bonds were issued by the District, the Owners of the Series 2022 Bonds are categorically the party with the ultimate financial stake in the transaction and, consequently, the party with a vested and pecuniary interest in a Proceeding. In the event of any Proceeding involving an Insolvent Taxpayer:

(i) the District hereby agrees that it shall seek to secure the written consent of the Trustee, acting at the direction of the Majority Owners of the Series 2022 Bonds then Outstanding, prior to making any election, giving any consent, commencing any action or filing any motion, claim, obligation, notice or application or in taking any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Series 2022 Assessments, the Series 2022 Bonds then Outstanding or any rights of the Trustee under the Indenture (provided, however, the Trustee shall be deemed to have consented, on behalf of the Majority Owners of the Series 2022 Bonds then Outstanding, to the proposed action if the District does not receive a written response from the Trustee within sixty (60) days following delivery to the Trustee of a written request for consent);

(ii) the District hereby agrees 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 2022 Assessments, the Series 2022 Bonds then Outstanding or any rights of the Trustee under the Indenture that are inconsistent with any written consent received (or deemed received) from the Trustee;

(iii) the District hereby agrees that it shall seek the written consent of the Trustee prior to filing and voting in any such Proceeding (provided, however, the Trustee shall be deemed to have consented, on behalf of the Majority Owners of the Series 2022 Bonds then Outstanding, to the proposed action if the District does not receive a written response from the Trustee within sixty (60) days following delivery to the Trustee of a written request for consent);

(iv) the Trustee shall have the right, by interpleader or otherwise, to seek or oppose any relief in any such Proceeding that the District, as claimant with respect to the Series 2022 Assessments, would have the right to pursue, and, if the Trustee chooses to exercise any such rights, the District shall not oppose the Trustee in seeking to exercise 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 and/or defend any claims and proofs of claims, to vote to accept or reject a plan, to seek dismissal of the Proceeding, to seek stay relief to commence or continue foreclosure or pursue any other available remedies as to the Series 2022 Assessments, to seek substantive consolidation, to seek to shorten the Insolvent Taxpayer's exclusivity periods or to oppose any motion to extend such exclusivity periods, to oppose any motion for use of cash collateral or for authority to obtain financing, to oppose any sale procedures motion or any sale motion, to propose a competing plan of reorganization or liquidation, or to make any election under Section 1111(b) of the Bankruptcy Code; and

(v) the District shall not challenge the validity or amount of any claim submitted in good faith by the Trustee in such Proceeding or any valuations of the lands owned by any Insolvent Taxpayer submitted in good faith by the Trustee in such Proceeding or take any other action in such Proceeding, which is adverse to the Trustee's enforcement of the District's claim and rights with respect to the Series 2022 Assessments or receipt of adequate protection (as that term is defined in the Bankruptcy Code). Without limiting the generality of the foregoing, the District agrees that the Trustee shall have the right to (A) file a proof of claim with respect to the Series 2022 Assessments, (B) deliver to the District a copy thereof, together with evidence of the filing with the appropriate court or other authority, and (C) defend any objection filed to said proof of claim.

The District acknowledges and agrees that it shall not be a defense to a breach of the foregoing covenants that it has acted on advice of counsel in not complying with the foregoing covenants.

(c) Nothing in this Section 710 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 for Operation and Maintenance Assessments 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 consents with respect to the Series 2022 Assessments whether such claim is pursued by the District or the Trustee; provided, however, that the District shall not oppose any relief sought by the Trustee under the authority granted to the Trustee in clause (b)(iv) above.

Section 711. Additional Events of Default. Section 10.02 of the Master Indenture is hereby amended with respect to the Series 2022 Bonds by inserting at the conclusion thereof the following paragraph:

"(g) any portion of the Series 2022 Assessments shall have become Delinquent Assessments and, as the result thereof, the Indenture authorizes the Trustee to withdraw funds in an amount greater than twenty-five percent (25%) of the amount on deposit in Series 2022 Reserve Account to pay the Debt Service Requirements on the Series 2022 Bonds (regardless of whether the Trustee does or does not actually withdraw such funds from the Series 2022 Reserve Account to pay the Debt Service Requirements on the Series 2022 Bonds) (the foregoing being referred to as a "Series 2022 Reserve Account Event") unless within sixty (60) days from the Series 2022 Reserve Account Event the District has either paid to the Trustee (1) the amounts, if any, withdrawn from the Series 2022 Reserve Account or (2) the portion of the Delinquent Assessments giving rise to the Series 2022 Reserve Account Event; and

(h) more than fifteen percent (15%) of the Direct Billed Operation and Maintenance Assessments levied by the District on tax parcels subject to the Series 2022 Assessments are not paid by the date such are due and payable and such default continues for sixty (60) days after the date when due."

Section 712. Enforcement of Remedies. Anything herein or in the Master Indenture to the contrary notwithstanding, the District covenants and agrees that it will take such actions to enforce the remedial provisions of the Indenture, the provisions for the collection of Delinquent Assessments, including delinquent Direct Billed Operation and Maintenance Assessments, the provisions for the foreclosure of liens of Delinquent Assessments, including delinquent Direct Billed Operation and Maintenance 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, the Majority Owners. Notwithstanding anything to the contrary herein, and unless otherwise directed by the Majority Owners and allowed pursuant to Federal or State law, the District acknowledges and agrees that (i) upon failure of any property owner to pay an installment of Series 2022 Assessments collected directly by the District when due, that the entire Series 2022

Assessment on the tax parcel as to which such Delinquent Assessment appertains, with interest and penalties thereon, shall immediately become due and payable as provided by applicable law and the District shall promptly cause to be brought the necessary legal proceedings for the foreclosure of liens of Delinquent Assessments, including interest and penalties with respect to such tax parcel 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.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, Willows Community Development District has caused this Second Supplemental Indenture to be signed in its name and on its behalf by its Chairman, and its official seal to be hereunto affixed and attested by its Secretary, thereunto duly authorized, and to evidence its acceptance of the trusts hereby created, the Trustee has caused this Second Supplemental Indenture to be signed in its name and on its behalf by its duly authorized Vice President.

(SEAL)

**WILLOWS COMMUNITY
DEVELOPMENT DISTRICT**

Attest:

Secretary

By: _____
Chairman, Board of Supervisors

**U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION,**
as successor in interest to U.S. Bank
National Association, as Trustee

By: _____
Vice President

EXHIBIT A

DESCRIPTION OF ASSESSMENT AREA TWO PROJECT

[See Report of Consulting Engineer Attached Hereto]

EXHIBIT B

FORM OF SERIES 2022 BONDS

No. 2022R-

\$[]

**UNITED STATES OF AMERICA
STATE OF FLORIDA
WILLOWS COMMUNITY DEVELOPMENT DISTRICT
SPECIAL ASSESSMENT REVENUE BOND, SERIES 2022
(ASSESSMENT AREA TWO)**

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated Date</u>	<u>CUSIP</u>
%	May 1, 20[]	[Closing Date]	

Registered Owner: CEDE & CO.

Principal Amount:

WILLOWS COMMUNITY DEVELOPMENT DISTRICT, a community development district duly established and existing pursuant to Chapter 190, Florida Statutes (the "District"), for value received, hereby promises to pay (but only out of the sources hereinafter mentioned) to the registered Owner set forth above, or registered assigns, on the maturity date shown hereon, unless this Bond shall have been called for redemption in whole or in part and payment of the Redemption Price (as defined in the Indenture hereinafter mentioned) shall have been duly made or provided for, the principal amount shown above and to pay (but only out of the sources hereinafter mentioned) interest on the outstanding principal amount hereof from the most recent Interest Payment Date to which interest has been paid or provided for or, if no interest has been paid, from the Dated Date shown above on May 1 and November 1 of each year (each, an "Interest Payment Date"), commencing on [November 1, 2022], until payment of said principal sum has been made or provided for, at the rate per annum set forth above. Notwithstanding the foregoing, if any Interest Payment Date is not a Business Day (as defined in the Indenture hereinafter mentioned), then all amounts due on such Interest Payment Date shall be payable on the first Business Day succeeding such Interest Payment Date, but shall be deemed paid on such Interest Payment Date. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture (hereinafter defined), be paid to the registered Owner hereof at the close of business on the regular Record Date for such interest, which shall be the fifteenth (15th) day of the calendar month preceding such Interest Payment Date or, if such day is not a Business Day, on the Business Day immediately preceding such day; provided, however, that on or after the occurrence and continuance of an Event of Default under clause (a) or (b) of Section 10.02 of the Master Indenture (hereinafter defined), the payment of interest and principal or

Redemption Price or Amortization Installments shall be made by the Paying Agent (hereinafter defined) to such person who, on a Special Record Date which is fixed by the Trustee, which shall be not more than fifteen (15) and not less than ten (10) days prior to the date of such proposed payment, appears on the registration books of the Registrar as the registered Owner of this Bond. Any payment of principal, Amortization Installment or Redemption Price shall be made only upon presentation hereof at the designated corporate trust office of U.S. Bank Trust Company, National Association, located in Fort Lauderdale, Florida, or any alternate or successor paying agent (collectively, the "Paying Agent"), unless the Bonds are held in the book-entry system in which case presentation shall not be required. Payment of interest shall be made by check or draft (or by wire transfer to the registered Owner set forth above if such Owner requests such method of payment in writing on or prior to the regular Record Date for the respective interest payment to such account as shall be specified in such request, but only if the registered Owner set forth above owns not less than \$1,000,000 in aggregate principal amount of the Series 2022 Bonds, as defined below). Interest on this Bond will be computed on the basis of a 360-day year comprised of twelve (12) thirty (30) day months. During any period that this Bond is registered in the name of Cede & Co., as Nominee of DTC, the provisions of the Supplemental Indenture (hereinafter defined) relating to the book-entry only system shall apply, including the payment provisions thereof. Capitalized terms used herein and not otherwise defined shall have the same meaning as set forth in the hereinafter defined Indenture.

This Bond is one of a duly authorized issue of Bonds of the District designated "Willows Community Development District Special Assessment Revenue Bonds, Series 2022 (Assessment Area Two)" in the aggregate principal amount of \$[Bond Amount] (the "Series 2022 Bonds") issued under a Master Trust Indenture, dated as of April 1, 2019 (the "Master Indenture"), between the District and U.S. Bank Trust Company, National Association, Fort Lauderdale, Florida, as successor in interest to U.S. Bank National Association, as trustee (the "Trustee"), as amended and supplemented by a Second Supplemental Trust Indenture, dated as of September 1, 2022 (the "Supplemental Indenture" and together with the Master Indenture, the "Indenture"), between the District and the Trustee (the Series 2022 Bonds together with any other Bonds issued under and governed by the terms of the Master Indenture are hereinafter collectively referred to as the "Bonds"). The District will apply the proceeds of the Series 2022 Bonds to (i) finance a portion of the Cost of acquiring, constructing and equipping assessable improvements comprising the Assessment Area Two Project, (ii) pay certain costs associated with the issuance of the Series 2022 Bonds, (iii) make a deposit into the Series 2022 Reserve Account to be held for the benefit of all of the Series 2022 Bonds, and (iv) pay a portion of the interest to become due on the Series 2022 Bonds.

NEITHER THIS BOND NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE HEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF

THE CONSTITUTION AND LAWS OF FLORIDA. THIS BOND AND THE SERIES OF WHICH IT IS A PART AND THE INTEREST AND PREMIUM, IF ANY, PAYABLE HEREON AND THEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE DISTRICT OR A LIEN UPON ANY PROPERTY OF THE DISTRICT OTHER THAN AS PROVIDED IN THE INDENTURE. NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE DISTRICT OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY THE DEBT SERVICE REQUIREMENTS OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE TERMS HEREOF. RATHER, THE DEBT SERVICE REQUIREMENTS AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE TERMS HEREOF SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE SERIES 2022 PLEDGED REVENUES AND THE SERIES 2022 PLEDGED FUNDS PLEDGED TO THE SERIES 2022 BONDS, ALL AS PROVIDED HEREIN AND IN THE INDENTURE.

This Bond 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 and pursuant to the Indenture, executed counterparts of which Indenture are on file at the corporate trust office of the Trustee. Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of Series 2022 Bonds issued under the Indenture, the collection and disposition of revenues and the funds charged with and pledged to the payment of the principal, Amortization Installments and Redemption Price of, and the interest on, the Series 2022 Bonds, the nature and extent of the security thereby created, the covenants of the District with respect to the levy and collection of Series 2022 Assessments, the terms and conditions under which the Series 2022 Bonds are or may be issued, the rights, duties, obligations and immunities of the District and the Trustee under the Indenture and the rights of the Owners of the Series 2022 Bonds and, by the acceptance of this Bond, the Owner hereof assents to all of the provisions of the Indenture. The Series 2022 Bonds are equally and ratably secured by the Series 2022 Trust Estate, without preference or priority of one Series 2022 Bond over another. The Supplemental Indenture does not authorize the issuance of any additional Bonds ranking on parity with the Series 2022 Bonds as to the lien and pledge of the Series 2022 Trust Estate except, under certain circumstances, refunding Bonds, and the Supplemental Indenture contains provisions limiting the imposition of capital Special Assessments on property subject to the Series 2022 Assessments.

The Series 2022 Bonds are issuable only as registered bonds without coupons in current interest form in Authorized Denominations. This Bond is transferable by the registered Owner hereof or his duly authorized attorney at the designated corporate trust office of the Trustee in Fort Lauderdale, Florida, as Registrar (the

"Registrar"), upon surrender of this Bond, accompanied by a duly executed instrument of transfer in form and with guaranty of signature reasonably satisfactory to the Registrar, subject to such reasonable regulations as the District or the Registrar may prescribe, and upon payment of any taxes or other governmental charges incident to such transfer. Upon any such transfer a new Bond or Bonds, in the same aggregate principal amount as the Bond or Bonds transferred, will be issued to the transferee. At the corporate trust office of the Registrar in Fort Lauderdale, Florida, in the manner and subject to the limitations and conditions provided in the Master Indenture and without cost, except for any tax or other governmental charge, Bonds may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of Authorized Denominations and bearing interest at the same rate or rates.

The Series 2022 Bonds are subject to redemption prior to maturity at the option of the District in whole or in part on any date on or after May 1, 20[] at the Redemption Price of the principal amount of the Series 2022 Bonds or portions thereof to be redeemed together with accrued interest to the date of redemption.

The Series 2022 Bonds maturing May 1, 20[], are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2022 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

May 1 of the Year	Amortization Installment	May 1 of the Year	Amortization Installment
------------------------------	-------------------------------------	------------------------------	-------------------------------------

* Final maturity

The Series 2022 Bonds maturing May 1, 20[], are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2022 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

**May 1
of the Year**

**Amortization
Installment**

**May 1
of the Year**

**Amortization
Installment**

* Final maturity

The Series 2022 Bonds maturing May 1, 20[___], are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2022 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

**May 1
of the Year**

**Amortization
Installment**

**May 1
of the Year**

**Amortization
Installment**

* Final maturity

The Series 2022 Bonds maturing May 1, 20[___], are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2022 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

**May 1
of the Year**

**Amortization
Installment**

**May 1
of the Year**

**Amortization
Installment**

* Final maturity

As more particularly set forth in the Indenture, any Series 2022 Bonds that are purchased by the District with amounts held to pay an Amortization Installment will be cancelled and the principal amount so purchased will be applied as a credit against the applicable Amortization Installment of Series 2022 Bonds. Amortization Installments are also subject to recalculation, as provided in the

Supplemental Indenture, as the result of the redemption of Series 2022 Bonds other than from scheduled Amortization Installments so as to reamortize the remaining Outstanding principal balance of the Series 2022 Bonds as set forth in the Supplemental Indenture.

The Series 2022 Bonds are subject to extraordinary mandatory redemption prior to maturity in whole or in part on any Quarterly Redemption Date at the Redemption Price of one hundred percent (100%) of the principal amount thereof, without premium, together with accrued interest to the Redemption Date, if and to the extent that any one or more of the following shall have occurred:

(a) on or after the Completion Date of the Assessment Area Two Project, by application of moneys transferred from the Series 2022 Acquisition and Construction Account to the Series 2022 Prepayment Subaccount as provided for in the Indenture; or

(b) from amounts, including Series 2022 Prepayments, required by the Indenture to be deposited into the Series 2022 Prepayment Subaccount; or

(c) from amounts transferred from the Series 2022 Reserve Account to the Series 2022 Prepayment Subaccount resulting from a reduction in the Series 2022 Reserve Account Requirement as provided for in the Indenture; or

(d) on the date on which the amount on deposit in the Series 2022 Reserve Account, together with other moneys available therefor, are sufficient to pay and redeem all of the Series 2022 Bonds then Outstanding, including accrued interest thereon.

If less than all of the Series 2022 Bonds shall be called for redemption, the particular Series 2022 Bonds or portions of Series 2022 Bonds to be redeemed shall be selected by lot by the Registrar as provided in the Indenture, or as provided or directed by DTC.

Notice of each redemption of Series 2022 Bonds is required to be mailed by the Registrar, postage prepaid, not less than thirty (30) nor more than sixty (60) days prior to the date of redemption to each registered Owner of Series 2022 Bonds to be redeemed at the address of such registered Owner recorded on the Bond Register maintained by the Registrar. On the date designated for redemption, notice having been given and money for the payment of the Redemption Price being held by the Paying Agent, all as provided in the Indenture, the Series 2022 Bonds or such portions thereof so called for redemption shall become and be due and payable at the Redemption Price provided for the redemption of such Series 2022 Bonds or such portions thereof on such date, interest on such Series 2022 Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2022 Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture and the Owners thereof shall have no

rights in respect of such Series 2022 Bonds or such portions thereof so called for redemption except to receive payments of the Redemption Price thereof so held by the Paying Agent. Further notice of redemption shall be given by the Registrar to certain registered securities depositories and information services as set forth in the Indenture, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

If at the time of providing 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 2022 Bonds called for redemption or purchase, such notice shall state that the redemption is conditional and 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.

The Owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute an action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

Modifications or alterations of the Master Indenture or of any indenture supplemental thereto may be made only to the extent and in the circumstances permitted by the Master Indenture.

Any moneys held by the Trustee or any Paying Agent in trust for the payment and discharge of any Series 2022 Bond which remain unclaimed for three (3) years after the date when such Series 2022 Bond has become due and payable, either at its stated maturity date or by call for earlier redemption, if such moneys were held by the Trustee or any Paying Agent at such date, or for three (3) years after the date of deposit of such moneys if deposited with the Trustee or Paying Agent after the date when such Series 2022 Bond became due and payable, shall be paid to the District, and thereupon and thereafter no claimant shall have any rights against the Paying Agent to or in respect of such moneys.

If the District deposits or causes to be deposited with the Trustee cash or Defeasance Securities sufficient to pay the principal or Redemption Price of any Series 2022 Bonds becoming due at maturity or by call for redemption in the manner set forth in the Indenture, together with the interest accrued to the due date, the lien of the Series 2022 Bonds as to the Series 2022 Trust Estate shall be discharged, except for the rights of the Owners thereof with respect to the funds so deposited as provided in the Indenture.

This Bond shall have all the qualities and incidents, including negotiability, of investment securities within the meaning and for all the purposes of the Uniform Commercial Code of the State of Florida.

This Bond is issued with the intent that the laws of the State of Florida shall govern its construction.

All acts, conditions and things required by the Constitution and laws of the State of Florida and the resolutions of the District to happen, exist and be performed precedent to and in the issuance of this Bond and the execution of the Indenture, have happened, exist and have been performed as so required. This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Indenture until it shall have been authenticated by the execution by the Trustee of the Certificate of Authentication endorsed hereon.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, Willows Community Development District has caused this Bond to bear the signature of the Chairman of its Board of Supervisors and the official seal of the District to be impressed or imprinted hereon and attested by the signature of the Secretary to the Board of Supervisors.

Attest:

**WILLOWS COMMUNITY
DEVELOPMENT DISTRICT**

Secretary

By: _____
Chairman, Board of Supervisors

(SEAL)

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the Series designated herein, described in the within-mentioned Indenture.

**U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION,**
as successor in interest to U.S. Bank
National Association, as Trustee

Date of Authentication:

[Closing Date] _____

By: _____
Vice President

CERTIFICATE OF VALIDATION

This Bond is one of a Series of Bonds which were validated by judgment of the Twelfth Judicial Circuit of Florida, in and for Manatee County rendered on December 4, 2018.

Chairman, Board of Supervisors,
Willows
Community Development District

[FORM OF ABBREVIATIONS]

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM as tenants in common

TEN ENT as tenants by the entireties

JT TEN as joint tenants with the right of survivorship and not as tenants in common

UNIFORM TRANSFER MIN ACT - _____ Custodian _____ under
Uniform Transfer to Minors Act _____ (Cust.) _____ (Minor)
(State)

Additional abbreviations may also be used though not in the above list.

[FORM OF ASSIGNMENT]

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney to transfer the said Bond on the books of the District, with full power of substitution in the premises.

Dated:

Social Security Number or Employer:

Identification Number of Transferee:

Signature guaranteed:

NOTICE: Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

NOTICE: The assignor's signature to this Assignment must correspond with the name as it appears on the face of the within Bond in every particular without alteration or any change whatsoever.

EXHIBIT C

FORM OF REQUISITION FOR ASSESSMENT AREA TWO PROJECT

The undersigned, a Responsible Officer of Willows Community Development District (the "District") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture between the District and U.S. Bank Trust Company, National Association, Fort Lauderdale, Florida, as successor in interest to U.S. Bank National Association, as trustee (the "Trustee"), dated as of April 1, 2019 (the "Master Indenture"), as amended and supplemented by the Second Supplemental Trust Indenture between the District and the Trustee, dated as of September 1, 2022 (the "Supplemental Indenture" and together with the Master Indenture, the "Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture):

(A) Requisition Number:

(B) Name of Payee:

(C) Amount Payable:

(D) Purpose for which paid or incurred (refer also to specific contract if amount is due and payable pursuant to a contract involving progress payments or state Costs of Issuance, if applicable):

(E) Fund or Account and subaccount, if any, from which disbursement to be made:

The undersigned hereby certifies that:

obligations in the stated amount set forth above have been incurred by the District, that each disbursement set forth above is a proper charge against the Series 2022 Acquisition and Construction Account referenced above, that each disbursement set forth above was incurred in connection with the acquisition and/or construction of the Assessment Area Two Project and each represents a Cost of the Assessment Area Two Project, and has not previously been paid out of such Account;

OR

this requisition is for costs of issuance payable from the Series 2022 Costs of Issuance Account that has not previously been paid out of such Account.

The undersigned hereby further certifies that there has not been filed with or served upon the District notice of any lien, right to lien, or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to the

Payee set forth above, which has not been released or will not be released simultaneously with the payment hereof.

The undersigned hereby further certifies that such requisition contains no item representing payment on account of any retained percentage which the District is at the date of such certificate entitled to retain.

Originals or copies of the invoice(s) from the vendor of the property acquired or services rendered with respect to which disbursement is hereby requested are on file with the District.

**WILLOWS COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Responsible Officer

**CONSULTING ENGINEER'S APPROVAL FOR
NON-COST OF ISSUANCE REQUESTS ONLY**

If this requisition is for a disbursement from other than the Series 2022 Costs of Issuance Account, the undersigned Consulting Engineer hereby certifies that this disbursement is for a Cost of the Assessment Area Two Project and is consistent with (i) the applicable acquisition or construction contract, (ii) the plans and specifications for the portion of the Assessment Area Two Project with respect to which such disbursement is being made, and (iii) the report of the Consulting Engineer attached as an exhibit to the Supplemental Indenture, as such report shall have been amended or modified on the date hereof.

Consulting Engineer

EXHIBIT D
FORM OF INVESTOR LETTER

[Date]

FMSbonds, Inc.
The FMSbonds Building
4775 Technology Way
Boca Raton, Florida 33431

Re: FMSbonds Account Number _____

To Whom it May Concern:

By signing this letter, I confirm that I have the authority to act on behalf of the above referenced account and this account meets the definition of an accredited investor based upon one or more of the criteria listed below. Federal securities laws define an accredited investor in Rule 501 of Regulation D as:

1. A bank, insurance company, registered investment company, business development company, or small business investment company;
2. An employee benefit plan, within the meaning of the Employee Retirement Income Security Act, if a bank, insurance company, or registered investment adviser makes the investment decisions, or if the plan has total assets in excess of \$5 million;
3. A charitable organization, corporation, or partnership with assets exceeding \$5 million;
4. A director, executive officer, or general partner of the company selling the securities;
5. A business in which all the equity owners are accredited investors;
6. A natural person who has individual net worth, or joint net worth with the person's spouse, that exceeds \$1 million at the time of the purchase, excluding the value of the primary residence of such person;
7. A natural person with income exceeding \$200,000 in each of the two most recent years or joint income with a spouse exceeding \$300,000 for those years and a reasonable expectation of the same income level in the current year; or
8. A trust with assets in excess of \$5 million, not formed to acquire the securities offered, whose purchases a sophisticated person makes.

I represent the following securities to be suitable for my investment objectives. A Copy of the offering document for the following security has been provided to me and I am aware that additional copies and other information may be found online at www.fmsbonds.com and www.emma.msrb.org.

Description _____
CUSIP _____
Rate _____
Maturity _____
Rating _____

Thank you,

Signature

Date

Signature

Date

WILLOWS

COMMUNITY DEVELOPMENT DISTRICT

4CIII

DRAFT-1
GrayRobinson, P.A.
August 19, 2022

PRELIMINARY LIMITED OFFERING MEMORANDUM DATED [_____], 2022

NEW ISSUE - BOOK-ENTRY ONLY
LIMITED OFFERING

NOT RATED

In the opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, under existing statutes, regulations, rulings and court decisions and subject to the conditions described under "TAX MATTERS," interest on the Series 2022 Bonds is (a) excludable from gross income of the owners thereof for federal income tax purposes, except as otherwise described herein under the caption "TAX MATTERS" and (b) not an item of tax preference for purposes of the federal individual alternative minimum tax. Such interest also may be subject to other federal income tax consequences referred to herein under "TAX MATTERS." See "TAX MATTERS" herein for a general discussion of Bond Counsel's opinion and other tax considerations.

[\$9,810,000]*
WILLOWS COMMUNITY DEVELOPMENT DISTRICT
(MANATEE COUNTY, FLORIDA)
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2022
(ASSESSMENT AREA TWO)

Dated: Date of Issuance

Due: As set forth below

The Willows Community Development District Special Assessment Revenue Bonds, Series 2022 (Assessment Area Two) (the "Series 2022 Bonds") are being issued by the Willows Community Development District (the "District" or "Issuer") only in fully registered form, without coupons, in denominations of \$5,000 or any integral multiple thereof.

The Series 2022 Bonds will bear interest at the fixed rates set forth below, 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, 2022]. The Series 2022 Bonds, when issued, will be registered in the name of Cede & Co., as Nominee for The Depository Trust Company ("DTC") of New York, New York. Purchases of beneficial interests in the Series 2022 Bonds will be made only in book-entry form. Accordingly, principal of and interest on the Series 2022 Bonds will be paid from the Series 2022 Trust Estate (as hereinafter defined) by U.S. Bank Trust Company, National Association, as trustee (the "Trustee") directly to DTC as the registered owner thereof. Disbursements of such payments to the DTC Participants (as hereinafter defined) is the responsibility of DTC and disbursements of such payments to the Beneficial Owners (as hereinafter defined) is the responsibility of Direct Participants and the Indirect Participants (as hereinafter defined), as more fully described herein. Any purchaser of a beneficial interest of a Series 2022 Bond must maintain an account with a broker or dealer who is, or acts through, a DTC Participant to receive payment of the principal of and interest on such Series 2022 Bond. See "DESCRIPTION OF THE SERIES 2022 BONDS - Book-Entry Only System" herein.

The District, which is the issuer of the Series 2022 Bonds, 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. 18-28 of the Board of County Commissioners of Manatee County, Florida (the "County"), enacted on June 12, 2018 and effective [____], 2018 (the "Ordinance"). The Series 2022 Bonds are being issued pursuant to the Act, Resolution Nos. 2018-27 and 2022- [] adopted by the Board of Supervisors of the District (the "Board") on September 18, 2018 and [August 26], 2022, respectively (collectively, the "Bond Resolution"), and a Master Trust Indenture, dated as of April 1, 2019 (the "Master Indenture"), as supplemented by a Second Supplemental Trust Indenture dated as of September 1, 2022 (the "Second Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the District and the Trustee. The Series 2022 Bonds are equally and ratably secured by the Series 2022 Trust Estate, without preference or priority of one Series 2022 Bond over another. The Series 2022 Pledged Revenues consist of all right, title and interest of the District in, to and under, subject to the terms and conditions of the Indenture, the revenues derived by the District from the Series 2022 Assessments (the "Series 2022 Pledged Revenues") and the Funds and Accounts (except for the Series 2022 Rebate Account) established under the Second Supplemental Indenture (the "Series 2022 Pledged Funds") which together shall constitute the trust estate securing the Series 2022 Bonds (the "Series 2022 Trust Estate"). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2022 BONDS" herein.

Proceeds of the Series 2022 Bonds will be used to (i) finance a portion of the Cost of acquiring, constructing and equipping assessable improvements comprising the Assessment Area Two Project (as defined herein), (ii) pay certain costs associated with the issuance of the Series 2022 Bonds, (iii) make a deposit into the Series 2022 Reserve Account to be held for the benefit of all of the Series 2022 Bonds, and (iv) pay a portion of the interest to become due on the Series 2022 Bonds. See "ESTIMATED SOURCES AND USES OF SERIES 2022 BOND PROCEEDS" herein.

The Series 2022 Bonds are subject to optional, mandatory sinking fund and extraordinary mandatory redemption prior to maturity. See "DESCRIPTION OF THE SERIES 2022 BONDS – Redemption Provisions" herein.

NEITHER THE SERIES 2022 BONDS NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF FLORIDA. THE SERIES 2022 BONDS AND THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE DISTRICT OR A LIEN UPON ANY PROPERTY OF THE DISTRICT OTHER THAN AS PROVIDED IN THE INDENTURE. NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE DISTRICT OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY THE DEBT SERVICE REQUIREMENTS OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE, OR THE SERIES 2022 BONDS. RATHER, DEBT SERVICE REQUIREMENTS AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE, OR THE SERIES 2022 BONDS, SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE SERIES 2022 PLEDGED REVENUES

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 2022 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification 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.

AND THE SERIES 2022 PLEDGED FUNDS PLEDGED TO THE SERIES 2022 BONDS, ALL AS PROVIDED IN THE SERIES 2022 BONDS AND IN THE INDENTURE.

The Series 2022 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 transfers in any secondary market for the Series 2022 Bonds. The Series 2022 Bonds are not credit enhanced or rated and no application has been made for credit enhancement or a rating with respect to the Series 2022 Bonds.

This cover page contains information for quick reference only. It is not a summary of the Series 2022 Bonds. Investors must read the entire Limited Offering Memorandum to obtain information essential to the making of an informed investment decision.

MATURITY SCHEDULE

\$ _____	% Series 2022 Term Bond due May 1, 20__	Yield _____%	Price _____	CUSIP # _____	**
\$ _____	% Series 2022 Term Bond due May 1, 20__	Yield _____%	Price _____	CUSIP # _____	**
\$ _____	% Series 2022 Term Bond due May 1, 20__	Yield _____%	Price _____	CUSIP # _____	**
\$ _____	% Series 2022 Term Bond due May 1, 20__	Yield _____%	Price _____	CUSIP # _____	**

The Series 2022 Bonds are offered for delivery when, as and if issued by the District and subject to the receipt of the approving legal opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel. Certain legal matters will be passed upon for the District by its counsel, Kutak Rock LLP, Tallahassee, 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. It is expected that the Series 2022 Bonds will be delivered in book-entry form through the facilities of DTC on or about _____, 2022.

Dated: _____, 2022.

FMSbonds, Inc.

* 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.

WILLOWS COMMUNITY DEVELOPMENT DISTRICT

BOARD OF SUPERVISORS

Ryan Zook*, Chairperson
Nicolas Aparicio*, Vice-Chairperson
Brian Janek*, Assistant Secretary
Greg Mundell*, Assistant Secretary
Hal Lutz*, Assistant Secretary

* Employee of, or affiliated with, the Developer

DISTRICT MANAGER/METHODOLOGY CONSULTANT

Wrathell, Hunt & Associates, LLC
Boca Raton, Florida

DISTRICT COUNSEL

Kutak Rock LLP
Tallahassee, Florida

BOND COUNSEL

Nabors, Giblin & Nickerson, P.A.
Tampa, Florida

DISTRICT ENGINEER

ZNS Engineering, L.C.
Bradenton, 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 2022 BONDS AND THERE SHALL BE NO OFFER, SOLICITATION, OR SALE OF THE SERIES 2022 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, THE DEVELOPER OR IN THE STATUS OF THE DEVELOPMENT, ASSESSMENT AREA TWO OR THE ASSESSMENT AREA TWO PROJECT (AS SUCH TERMS ARE HEREINAFTER DEFINED) SINCE THE DATE HEREOF.

THE SERIES 2022 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 2022 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 COUNTY, THE STATE, NOR ANY OTHER POLITICAL SUBDIVISIONS THEREOF HAVE GUARANTEED OR PASSED UPON THE MERITS OF THE SERIES 2022 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," "SHOULD," "INTENDS,"

"EXPECTS," "BELIEVES," "ANTICIPATES," OR "ESTIMATES." 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).

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LIMITED OFFERING MEMORANDUM

[\$9,810,000]*
WILLOWS COMMUNITY DEVELOPMENT DISTRICT
(MANATEE COUNTY, FLORIDA)
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2022
(ASSESSMENT AREA TWO)

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 Willows Community Development District (the "District") of its \$[9,810,000]* Special Assessment Revenue Bonds, Series 2022 (Assessment Area Two) (the "Series 2022 Bonds").

THE SERIES 2022 BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS. PURSUANT TO APPLICABLE STATE LAW, THE UNDERWRITER IS LIMITING THIS INITIAL OFFERING OF THE SERIES 2022 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 TRANSFERS IN ANY SECONDARY MARKET FOR THE SERIES 2022 BONDS. POTENTIAL INVESTORS ARE SOLELY RESPONSIBLE FOR EVALUATING THE MERITS AND RISKS OF AN INVESTMENT IN THE SERIES 2022 BONDS. SEE "BONDOWNERS' RISKS" AND "SUITABILITY FOR INVESTMENT" HEREIN.

The District, which is the issuer of the Series 2022 Bonds, 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. 18-28 of the Board of County Commissioners of Manatee County, Florida, enacted on June 12, 2018 and effective on [____], 2018 (the "Ordinance"). The District was created for the purpose of delivering certain community development services and facilities for the benefit of the District Lands (as hereinafter defined), and has previously determined 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, operating and maintaining water management, water supply, sewer and wastewater management, bridges or culverts, public roads, streetlights and other basic infrastructure projects within or without the boundaries of the District as provided in the Act.

The boundaries of the District currently contain approximately 287 acres of land (the "District Lands") located entirely within Manatee County, Florida (the "County"). The District Lands are being developed as a 799 unit residential community marketed under the name "[Silverstone North]" and referred to herein as the "Development." The District previously issued its Series 2019 Bonds (hereinafter defined) in order to finance a portion of the public infrastructure improvements (the "2019 Project" or the "2019 Project Area") associated with the 400 lots planned for the first phase of land development ("2019 Project

* Preliminary, subject to change.

Area"). The 2019 Project is [complete], and approximately 400 lots have been developed, with 398 of those platted. See "THE DEVELOPMENT – Update on the 2019 Project Area" herein for more information.

The Series 2022 Bonds are being issued in order to finance a portion of the 2022 Project, which consists of the public infrastructure improvements associated with the 399 lots planned for the Assessment Area Two. The Series 2022 Bonds will be secured by the Series 2022 Special Assessments which will initially be levied on the ____ acres which comprise the Assessment Area Two. As lots are platted, the Series 2022 Bonds will be assigned to the 399 lots planned for the Assessment Area Two on a first platted, first assigned basis as set forth in the Assessment Methodology attached hereto. See "THE DEVELOPMENT" herein for more information. D.R. Horton, Inc., a Delaware corporation (the "Developer"), is the land developer and homebuilder for Assessment Area Two. See "THE DEVELOPER" herein for more information. The Series 2022 Bonds will be secured by the Series 2022 Assessments which will be assigned at issuance to the [399] comprising the Assessment Area Two as set forth in the Assessment Methodology attached hereto. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein for more information.

The Series 2022 Bonds are being issued pursuant to the Act, Resolution Nos. 2018-27 and 2022- [] adopted by the Board of Supervisors of the District (the "Board") on September 18, 2018 and [August 26], 2022, respectively (collectively, the "Bond Resolution"), and a Master Trust Indenture, dated as of April 1, 2019 (the "Master Indenture"), as supplemented by a Second Supplemental Trust Indenture dated as of September 1, 2022 (the "Second Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the District and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"). All capitalized terms used in this Limited Offering Memorandum that are defined in the Indenture and not defined herein shall have the respective meanings set forth in the Indenture. See "APPENDIX B: COPY OF MASTER INDENTURE AND PROPOSED FORM OF THE SECOND SUPPLEMENTAL INDENTURE" hereto.

The Series 2022 Bonds are equally and ratably secured by the Series 2022 Trust Estate, without preference or priority of one Series 2022 Bond over another. The Series 2022 Pledged Revenues consist of all right, title and interest of the District in, to and under, subject to the terms and conditions of the Indenture, the revenues derived by the District from the Series 2022 Assessments (the "Series 2022 Pledged Revenues") and the Funds and Accounts (except for the Series 2022 Rebate Account) established under the Second Supplemental Indenture (the "Series 2022 Pledged Funds") which together shall constitute the trust estate securing the Series 2022 Bonds (the "Series 2022 Trust Estate"). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2022 BONDS" herein.

Proceeds of the Series 2022 Bonds will be used to (i) finance a portion of the Cost of acquiring, constructing and equipping assessable improvements comprising the Assessment Area Two Project, (ii) pay certain costs associated with the issuance of the Series 2022 Bonds, (iii) make a deposit into the Series 2022 Reserve Account to be held for the benefit of all of the Series 2022 Bonds, and (iv) pay a portion of the interest to become due on the Series 2022 Bonds. See "ESTIMATED SOURCES AND USES OF SERIES 2022 BOND PROCEEDS" herein.

There follows in this Limited Offering Memorandum a brief description of the District, the Assessment Area Two Project, the Development, Assessment Area Two, the Developer and summaries of the terms of the Series 2022 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 document and statute, and all references to the Series 2022 Bonds are qualified by reference to the form thereof and the information with respect thereto contained in the Indenture. A copy of the Master Indenture and the proposed form of the Second Supplemental Indenture appear as APPENDIX B hereto.

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

DESCRIPTION OF THE SERIES 2022 BONDS

General Description

The Series 2022 Bonds are issuable as fully registered bonds, without coupons, in denominations of \$5,000 and any integral multiple thereof; provided, however, if any initial Beneficial Owner does not purchase at least \$100,000 of the Series 2022 Bonds at the time of initial delivery of the Series 2022 Bonds, such Beneficial Owner must either execute and deliver to the District and the Underwriter on the date of delivery of the Series 2022 Bonds an investor letter substantially in the form attached as an exhibit to the Second Supplemental Indenture or otherwise establish to the satisfaction of the Underwriter that such Beneficial Owner is an "accredited investor," as described in Rule 501(a) under Regulation D of the Securities Act of 1933, as amended.

The Series 2022 Bonds will be dated their date of issuance and delivery to the initial purchasers thereof and will bear interest payable on each May 1 and November 1, commencing [November 1, 2022] (each, an "Interest Payment Date"), which shall be computed on the basis of a 360-day year comprised of twelve 30-day months. The Series 2022 Bonds will mature on May 1 of such years, in such amounts and at such rates as set forth on the cover page of this Limited Offering Memorandum.

Interest on the Series 2022 Bonds shall be payable on each Interest Payment Date to maturity or prior redemption. Each Series 2022 Bond shall bear interest from the Interest Payment Date to which interest has been paid next preceding the date of its authentication, unless the date of its authentication (a) is an Interest Payment Date to which interest on such Series 2022 Bond has been paid, in which event such Series 2022 Bond shall bear interest from its date of authentication, or (b) is prior to the first Interest Payment Date for the Series 2022 Bonds, in which event such Series 2022 Bond shall bear interest from its date.

Principal and interest due on the Series 2022 Bonds shall be payable in any coin or currency of the United States of America which, at the date of payment thereof, is legal tender for the payment of public and private debts. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture, be paid to the registered Owner at the close of business on the regular Record Date for such interest, which shall be the fifteenth (15th) day of the calendar month preceding such Interest Payment Date or, if such day is not a Business Day, on the Business Day immediately preceding such day; provided, however, that on or after the occurrence and continuance of an Event of Default under clause (a) or (b) of Section 10.02 of the Master Indenture, the payment of interest and principal or Redemption Price or Amortization Installments shall be made by the Paying Agent (hereinafter defined) to such person who, on a Special Record Date which is fixed by the Trustee, which shall be not more than fifteen (15) and not less than ten (10) days prior to the date of such proposed payment, appears on the registration books of the Registrar as the registered Owner of a Series 2022 Bond. Any payment of principal, Amortization Installment or Redemption Price shall be made only upon presentation thereof at the designated corporate trust office of U.S. Bank Trust Company, National Association, located in Fort Lauderdale, Florida, or any alternate or successor paying agent (collectively, the "Paying Agent"), unless the Series 2022 Bonds are held in the book-entry system in which case presentation shall not be required. Payment of interest shall be made by check or draft (or by wire transfer to the registered Owner if such Owner requests such method of payment in writing on or prior to the regular Record Date for the respective interest payment to such account as shall be specified in such request, but only if the registered Owner owns not less than \$1,000,000 in aggregate principal amount of the Series 2022 Bonds).

The Series 2022 Bonds will initially be registered in the name of Cede & Co. as Nominee for The Depository Trust Company ("DTC"), which will act initially as securities depository for the Series 2022 Bonds and, so long as the Series 2022 Bonds are held in book-entry only form, Cede & Co. will be considered the Registered Owner for all purposes hereof. See "– Book-Entry Only System" below for more information about DTC and its book-entry system.

Redemption Provisions

Optional Redemption. The Series 2022 Bonds are subject to redemption prior to maturity at the option of the District in whole or in part on any date, on or after May 1, 20__, at the Redemption Price of the principal amount of the Series 2022 Bonds or portions thereof to be redeemed together with accrued interest to the date of redemption.

Mandatory Sinking Fund Redemption. The Series 2022 Bonds maturing May 1, 20__, are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2022 Sinking Fund Account established under the Second Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

May 1 of the Year	Amortization Installment	May 1 of the Year	Amortization Installment
	\$		\$

*

* Final maturity

The Series 2022 Bonds maturing May 1, 20__, are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2022 Sinking Fund Account established under the Second Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

May 1 of the Year	Amortization Installment	May 1 of the Year	Amortization Installment
	\$		\$

*

* Final maturity

The Series 2022 Bonds maturing May 1, 20__, are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2022 Sinking Fund Account established under the Second Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

May 1 of the Year	Amortization Installment	May 1 of the Year	Amortization Installment
	\$		\$

*

* Final maturity

The Series 2022 Bonds maturing May 1, 20__, are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2022 Sinking Fund Account established under the Second Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

May 1 of the Year	Amortization Installment	May 1 of the Year	Amortization Installment
	\$		\$

*

* Final maturity

As more particularly set forth in the Indenture, any Series 2022 Bonds that are purchased by the District with amounts held to pay an Amortization Installment will be cancelled and the principal amount so purchased will be applied as a credit against the applicable Amortization Installment of Series 2022 Bonds. Amortization Installments are also subject to recalculation, as provided in the Second Supplemental Indenture, as the result of the redemption of Series 2022 Bonds other than from scheduled Amortization Installments so as to reamortize the remaining Outstanding principal balance of the Series 2022 Bonds as set forth in the Second Supplemental Indenture.

Extraordinary Mandatory Redemption. The Series 2022 Bonds are subject to extraordinary mandatory redemption prior to maturity in whole or in part on any Quarterly Redemption Date at the Redemption Price of one hundred percent (100%) of the principal amount thereof, without premium, together with accrued interest to the Redemption Date, if and to the extent that any one or more of the following shall have occurred:

(a) on or after the Completion Date of the Assessment Area Two Project, by application of moneys transferred from the Series 2022 Acquisition and Construction Account to the Series 2022 Prepayment Subaccount as provided for in the Indenture; or

(b) from amounts, including Series 2022 Prepayments, required by the Indenture to be deposited into the Series 2022 Prepayment Subaccount; or

(c) from amounts transferred from the Series 2022 Reserve Account to the Series 2022 Prepayment Subaccount resulting from a reduction in the Series 2022 Reserve Account Requirement as provided for in the Indenture; or

(d) on the date on which the amount on deposit in the Series 2022 Reserve Account, together with other moneys available therefor, are sufficient to pay and redeem all of the Series 2022 Bonds then Outstanding, including accrued interest thereon.

If less than all of the Series 2022 Bonds shall be called for redemption, the particular Series 2022 Bonds or portions of Series 2022 Bonds to be redeemed shall be selected by lot by the Registrar as provided in the Indenture, or as provided or directed by DTC.

Notice of Redemption

Notice of each redemption of Series 2022 Bonds is required to be mailed by the Registrar, postage prepaid, not less than thirty (30) nor more than sixty (60) days prior to the date of redemption to each registered Owner of Series 2022 Bonds to be redeemed at the address of such registered Owner recorded on the Bond Register maintained by the Registrar. On the date designated for redemption, notice having been given and money for the payment of the Redemption Price being held by the Paying Agent, all as provided in the Indenture, the Series 2022 Bonds or such portions thereof so called for redemption shall become and be due and payable at the Redemption Price provided for the redemption of such Series 2022 Bonds or such portions thereof on such date, interest on such Series 2022 Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2022 Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture and the Owners thereof shall have no rights in respect of such Series 2022 Bonds or such portions thereof so called for redemption except to receive payments of the Redemption Price thereof so held by the Paying Agent. Further notice of redemption shall be given by the Registrar to certain registered securities depositories and information services as set forth in the Indenture, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

If at the time of providing 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 2022 Bonds called for redemption or purchase, such notice shall state that the redemption is conditional and 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.

Book-Entry Only System

THE INFORMATION IN THIS CAPTION CONCERNING DTC AND DTC'S BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM DTC AND NEITHER THE DISTRICT NOR THE UNDERWRITER MAKES ANY REPRESENTATION OR WARRANTY OR TAKES ANY RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

DTC will act as securities depository for the Series 2022 Bonds. The Series 2022 Bonds will be issued as fully-registered bonds 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 bond certificate will be issued for each maturity of the Series 2022 Bonds 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 (the "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 (the "Indirect Participants"). DTC has a Standard and Poor's rating of AA+. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission (the "SEC"). More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2022 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for such Series 2022 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2022 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 2022 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of the Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2022 Bonds, except in the event that use of the book-entry system for the Series 2022 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2022 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 Series 2022 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 2022 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2022 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping an 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 made among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Series 2022 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such Series 2022 Bonds, as the case may be, to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2022 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 2022 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2022 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 Registrar on the 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, the Registrar 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 dividend 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 for the Series 2022 Bonds. 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 the Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2022 Bonds at any time by giving reasonable notice to the District. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2022 Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Series 2022 Bond certificates will be printed and delivered to DTC.

NEITHER THE DISTRICT NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO THE DTC PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEE WITH RESPECT TO THE PAYMENTS TO OR THE PROVIDING OF NOTICE FOR THE DTC PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS OF THE SERIES 2022 BONDS. THE DISTRICT CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, THE DTC PARTICIPANTS OR OTHERS WILL DISTRIBUTE PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE SERIES 2022 BONDS PAID TO DTC OR ITS NOMINEE, AS THE REGISTERED OWNER, OR PROVIDE ANY NOTICES TO THE BENEFICIAL OWNERS OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC WILL ACT IN THE MANNER DESCRIBED IN THIS LIMITED OFFERING MEMORANDUM.

SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2022 BONDS

General

The Series 2022 Bonds are payable from and secured by the revenues derived by the District from the Series 2022 Assessments and amounts in the Funds and Accounts (except for the Series 2022 Rebate Account) established by the Indenture. Series 2022 Assessments will be levied and collected on the lands within Assessment Area Two that receive a special benefit from the Assessment Area Two Project, and shall not include Assessments imposed, levied and collected by the District with respect to property within the District not so specially benefited. The Series 2022 Assessments represent an allocation of the costs of the Assessment Area Two Project, including bond financing costs, to such benefited land within the District in accordance with the Assessment Methodology, attached hereto as composite APPENDIX E.

NEITHER THE SERIES 2022 BONDS NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF FLORIDA. THE SERIES 2022 BONDS AND THE INTEREST AND PREMIUM, IF ANY,

PAYABLE THEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE DISTRICT OR A LIEN UPON ANY PROPERTY OF THE DISTRICT OTHER THAN AS PROVIDED IN THE INDENTURE. NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE DISTRICT OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY THE DEBT SERVICE REQUIREMENTS OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE SERIES 2022 BONDS. RATHER, DEBT SERVICE REQUIREMENTS AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE SERIES 2022 BONDS SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE SERIES 2022 PLEDGED REVENUES AND THE SERIES 2022 PLEDGED FUNDS PLEDGED TO THE SERIES 2022 BONDS, ALL AS PROVIDED IN THE SERIES 2022 BONDS AND IN THE INDENTURE.

Additional Obligations

Pursuant to the Second Supplemental Indenture, other than Bonds issued to refund the then Outstanding Series 2022 Bonds, the issuance of which results in net present value debt service savings, the District will covenant not to, while any Series 2022 Bonds are Outstanding, issue or incur any debt payable in whole or in part from the Series 2022 Trust Estate. The District will further covenant and agree that so long as the Series 2022 Assessments have not been Substantially Absorbed, it will not impose Special Assessments for capital projects on any lands subject to the Series 2022 Assessments without the written consent of the Majority Owners. Notwithstanding the immediately preceding sentence, the District may impose Special Assessments on property subject to the Series 2022 Assessments which are necessary for health, safety or welfare reasons, or to remediate a natural disaster, or to effect repairs to or replacement of property, facilities or equipment of the District without the consent of the Majority Owners. "Substantially Absorbed" shall mean the date on which the principal amount of the Series 2022 Assessments equaling seventy-five percent (75%) of the then Outstanding principal amount of the Series 2022 Bonds is levied on tax parcels within Assessment Area Two with respect to which a certificate of occupancy has been issued for a structure thereon and are owned by end users, as certified by a Responsible Officer and upon which the Trustee may conclusively rely.

The District and/or other public entities may impose taxes or other special assessments on the same properties encumbered by the Series 2022 Assessments without the consent of the Owners of the Series 2022 Bonds. The District will continue to impose certain non-ad valorem special assessments called maintenance assessments, which are of equal dignity with the Series 2022 Assessments, on the same lands upon which the Series 2022 Assessments are imposed, to fund the maintenance and operation of the District. See "THE DEVELOPMENT – Taxes, Fees and Assessments" and "BONDOWNERS' RISKS" herein for more information.

Covenant Against Sale or Encumbrance

In the Master Indenture, the District covenants that (a) except for those improvements comprising any Project that are to be conveyed by the District to the County, the State Department of Transportation 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 any Project (including the Assessment Area Two Project) or any part thereof. See "APPENDIX B: COPY OF MASTER INDENTURE AND PROPOSED FORM OF THE SECOND SUPPLEMENTAL INDENTURE" attached hereto.

Series 2022 Acquisition and Construction Account

The Second Supplemental Indenture establishes a separate account within the Acquisition and Construction Fund designated as the "Series 2022 Acquisition and Construction Account." Amounts on deposit in the Series 2022 Acquisition and Construction Account shall be applied to pay Costs of the Assessment Area Two Project upon compliance with the requisition provisions set forth in Section 5.01 of the Master Indenture and on the form attached to the Second Supplemental Indenture. The Trustee shall have no duty to verify that any requested disbursement from the Series 2022 Acquisition and Construction Account is for a Cost of the Assessment Area Two Project. The Consulting Engineer shall establish a Completion Date for the Assessment Area Two Project, and any balance remaining in the Series 2022 Acquisition and Construction Account after such Completion Date (taking into account the moneys then on deposit therein to pay any accrued but unpaid Costs of the Assessment Area Two Project which are required to be reserved in the Series 2022 Acquisition and Construction Account in accordance with the certificate of the Consulting Engineer delivered to the District and the Trustee establishing such Completion Date), shall be transferred to the Series 2022 Prepayment Subaccount and applied to the extraordinary mandatory redemption of the Series 2022 Bonds in accordance with Section 301 of the Second Supplemental Indenture and in the manner prescribed in the form of Series 2022 Bond attached to the Second Supplemental Indenture. Notwithstanding the foregoing, the District shall not establish a Completion Date until after the Reserve Account Release Conditions #1 and Reserve Account Release Conditions #2 (both as defined herein) have been satisfied and moneys have been transferred from the Series 2022 Reserve Account to the Series 2022 Acquisition and Construction Account as a result of such satisfaction pursuant to Section 405 of the Second Supplemental Indenture. At such time as there are no amounts on deposit in the Series 2022 Acquisition and Construction Account, such Account shall be closed.

In accordance with the provisions of the Indenture, the Series 2022 Bonds are payable solely from the Series 2022 Pledged Revenues and the Series 2022 Pledged Funds held by the Trustee under the Indenture for such purpose. Anything in the Indenture to the contrary notwithstanding, the District will acknowledge that (a) the Series 2022 Pledged Funds includes, without limitation, all amounts on deposit in the Series 2022 Acquisition and Construction Account then held by the Trustee, (b) upon the occurrence of an Event of Default with respect to the Series 2022 Bonds, the Series 2022 Pledged Funds may not be used by the District (whether to pay Costs of the Assessment Area Two Project or otherwise) without the consent of the Majority Owners, except to the extent that prior to the Trustee notifying the District of such declared Event of Default the District had incurred a binding obligation with third parties for work on the Assessment Area Two Project and payment is for such work, and (c) upon the occurrence of an Event of Default with respect to the Series 2022 Bonds, the Series 2022 Pledged Funds may be used by the Trustee, at the direction or with the approval of the Majority Owners, to pay the reasonable costs and expenses incurred in connection with the pursuit of remedies under the Indenture. The District shall not enter into any binding agreement with respect to the Assessment Area Two Project that will cause the expenditure of additional funds from the Series 2022 Trust Estate after the occurrence and during the continuance of an Event of Default unless authorized in writing by the Majority Owners.

Series 2022 Reserve Account

The Second Supplemental Indenture establishes a Series 2022 Reserve Account within the Debt Service Reserve Fund for the Series 2022 Bonds, which shall be held for the benefit of all of the Series 2022 Bonds, without distinction as to Series 2022 Bonds and without privilege or priority of one Series 2022 Bond over another. The Series 2022 Reserve Account shall be funded and maintained at all times in an amount equal to the Series 2022 Reserve Account Requirement. "Series 2022 Reserve Account Requirement" is defined in the Second Supplemental Indenture to mean an amount equal to fifty percent (50%) of the maximum annual Debt Service Requirement for all Outstanding Series 2022 Bonds, as of the time of any such calculation, until such time as the Reserve Account Release Conditions #1 are met, at

which time and thereafter, Series 2022 Reserve Account Requirement shall mean an amount equal to twenty-five percent (25%) of the maximum annual Debt Service Requirement for all Outstanding Series 2022 Bonds, as of the time of any such calculation, until such time as the Reserve Account Release Conditions #2 are met, at which time and thereafter, Series 2022 Reserve Account Requirement shall mean an amount equal to ten percent (10%) of the maximum annual Debt Service Requirement for all Outstanding Series 2022 Bonds, as of the time of any such calculation. On the date of initial issuance of the Series 2022 Bonds, the Series 2022 Reserve Account Requirement shall be \$_____.

"Reserve Account Release Conditions #1" shall mean, collectively, that (i) all lots subject to the Series 2022 Assessments have been developed and platted, (ii) all Series 2022 Assessments are being collected pursuant to the Uniform Method, and (iii) there are no Events of Default occurring or continuing under the Master Indenture. The Consulting Engineer shall provide a written certification to the District and the Trustee certifying that the event in clause (i) has occurred and the District Manager shall provide a written certification to the District and the Trustee certifying that the event in clause (ii) has occurred and affirming clause (iii), on which certifications the Trustee may conclusively rely.

"Reserve Account Release Conditions #2" shall mean, collectively, that (i) all of the Reserve Account Release Conditions #1 have been satisfied, (ii) all homes within the District have been built, sold and closed with end-users, and (iii) all of the principal portion of the Series 2022 Assessments has been assigned to such homes. The District Manager shall provide a written certification to the District and the Trustee certifying that the events in clauses (i) through (iii) have occurred, on which certifications the Trustee may conclusively rely.

Except as otherwise provided in the Indenture, amounts on deposit in the Series 2022 Reserve Account shall be used only for the purpose of making payments into the Series 2022 Interest Account and the Series 2022 Sinking Fund Account to pay Debt Service Requirements on the Series 2022 Bonds, when due, without distinction as to Series 2022 Bonds and without privilege or priority of one Series 2022 Bond over another, to the extent the moneys on deposit in such Accounts available therefor are insufficient and for no other purpose. The Series 2022 Reserve Account shall consist only of cash and Series 2022 Investment Obligations.

Anything in the Indenture to the contrary notwithstanding, on the forty-fifth (45th) day preceding each Quarterly Redemption Date (or, if such forty-fifth (45th) day is not a Business Day, on the Business Day preceding such forty-fifth (45th) day), the Trustee is authorized and directed to recalculate the Series 2022 Reserve Account Requirement and to transfer any excess on deposit in the Series 2022 Reserve Account (i) resulting from Prepayments of Series 2022 Assessments into the Series 2022 Prepayment Subaccount and applied to the extraordinary mandatory redemption of the Series 2022 Bonds, (ii) resulting from a reduction of the Series 2022 Reserve Account Requirement as the result of either the Reserve Account Release Conditions # 1 or the Reserve Account Release Conditions #2 being met into the Series 2022 Acquisition and Construction Account and used for the purposes of such Account, or (iii) resulting from investment earnings as provided in the Second Supplemental Indenture.

On the earliest date on which there is on deposit in the Series 2022 Reserve Account sufficient moneys, after taking into account other moneys available therefor, to pay and redeem all of the Outstanding Series 2022 Bonds, together with accrued interest and redemption premium, if any, on such Series 2022 Bonds to the earliest Redemption Date permitted therein and in the Second Supplemental Indenture, then the Trustee shall transfer the amount on deposit in the Series 2022 Reserve Account into the Series 2022 Prepayment Subaccount to pay and redeem all of the Outstanding Series 2022 Bonds on the earliest Redemption Date permitted for redemption therein and in the Second Supplemental Indenture.

Anything in the Indenture to the contrary notwithstanding, amounts on deposit in the Series 2022 Reserve Account shall, upon the occurrence and continuance of an Event of Default, be subject to a first charge by the Trustee for its fees and expenses, including fees and expenses of collection of Delinquent Assessments.

Series 2022 Revenue Account

(a) Pursuant to the Second Supplemental Indenture, the Trustee is authorized and directed to deposit any and all amounts required to be deposited in the Series 2022 Revenue Account by Section 408 of the Second Supplemental Indenture or by any other provision of the Indenture, and any other amounts or payments specifically designated by the District pursuant to a written direction or by a Supplemental Indenture for said purpose. The Series 2022 Revenue Account shall be held by the Trustee separate and apart from all other Funds and Accounts held under the Indenture and from all other moneys of the Trustee.

(b) The Trustee shall deposit into the Series 2022 Revenue Account (i) Series 2022 Assessment Revenues other than Series 2022 Prepayments (which Series 2022 Prepayments shall be identified by the District to the Trustee as such in writing upon deposit, upon which certification the Trustee may conclusively rely, and which shall be deposited into the Series 2022 Prepayment Subaccount), (ii) Series 2022 Prepayment Interest, and (iii) any other revenues required by other provisions of the Indenture to be deposited into the Series 2022 Revenue Account.

(c) On each March 15, June 15, September 15 and December 15 (or if such date is not a Business Day, on the Business Day preceding such date), the Trustee shall determine the amount on deposit in the Series 2022 Prepayment Subaccount and, if the balance therein is greater than zero, shall, upon written direction from the District, transfer from the Series 2022 Revenue Account for deposit into the Series 2022 Prepayment Subaccount an amount sufficient to increase the amount on deposit therein to the nearest integral multiple of \$5,000 (provided that there are sufficient funds remaining in the Series 2022 Revenue Account to pay the Debt Service Requirements coming due on the Series 2022 Bonds on the next succeeding Interest Payment Date), and shall thereupon give notice and cause the extraordinary mandatory redemption of the Series 2022 Bonds on the next succeeding Redemption Date in the maximum aggregate principal amount for which moneys are then on deposit in the Series 2022 Prepayment Subaccount in accordance with the provisions for extraordinary mandatory redemption of the Series 2022 Bonds set forth in the form of Series 2022 Bonds attached to the Second Supplemental Indenture, Section 301 of the Second Supplemental Indenture, and Article VIII of the Master Indenture.

(d) On May 1 and November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such May 1 or November 1), the Trustee shall first transfer from the Series 2022 Capitalized Interest Account to the Series 2022 Interest Account the lesser of (x) the amount of interest coming due on the Series 2022 Bonds on such May 1 or November 1, less the amount already on deposit in the Series 2022 Interest Account, or (y) the amount remaining in the Series 2022 Capitalized Interest Account. Following the foregoing transfer, on such May 1 or November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such May 1 or November 1), the Trustee shall then transfer amounts on deposit in the Series 2022 Revenue Account to the Accounts designated below in the following amounts and in the following order of priority:

FIRST, to the Series 2022 Interest Account, the amount, if any, equal to the difference between the amount of interest payable on all Series 2022 Bonds then Outstanding on such May 1 or November 1, and (i) the amount transferred from the Series 2022 Capitalized Interest Account in accordance with the Second Supplemental Indenture and (ii) the amount already on deposit in the Series 2022 Interest Account not previously credited;

SECOND, on May 1, 20[___], and on each May 1 thereafter, to the Series 2022 Sinking Fund Account, the amount, if any, equal to the difference between the Amortization Installments of all Series 2022 Bonds subject to mandatory sinking fund redemption on such May 1 and the amount already on deposit in the Series 2022 Sinking Fund Account not previously credited;

THIRD, to the Series 2022 Reserve Account, the amount, if any, which is necessary to make the amount on deposit therein equal to the Series 2022 Reserve Account Requirement with respect to the Series 2022 Bonds; and

FOURTH, the balance shall first be deposited into the Series 2022 Costs of Issuance Account to fund any deficiencies in the amount allocated to pay the costs of issuance relating to the Series 2022 Bonds, and then the balance shall be retained in the Series 2022 Revenue Account.

(e) On any date required by the Arbitrage Certificate, the District shall give the Trustee written direction to, and the Trustee shall, transfer from the Series 2022 Revenue Account to the Series 2022 Rebate Account the amount due and owing to the United States, which amount shall be paid to the United States when due in accordance with such Arbitrage Certificate.

Investments

Anything in the Indenture to the contrary notwithstanding, moneys on deposit in all of the Funds and Accounts held as security for the Series 2022 Bonds shall be invested only in Series 2022 Investment Obligations. Earnings on investments in the Series 2022 Acquisition and Construction Account and the Series 2022 Interest Account shall be retained, as realized, in such Accounts and used for the purpose of such Accounts. Earnings on investments in the Funds and Accounts other than the Series 2022 Reserve Account, and other than as set forth above, shall be deposited, as realized, to the credit of the Series 2022 Revenue Account and used for the purpose of such Account.

Earnings on investments in the Series 2022 Reserve Account shall be disposed of as follows:

(a) if there was no deficiency in the Series 2022 Reserve Account as of the most recent date on which amounts on deposit in the Series 2022 Reserve Account were valued by the Trustee, and if no withdrawals have been made from the Series 2022 Reserve Account since such date which have created a deficiency, then earnings on investments in the Series 2022 Reserve Account shall be deposited into the Series 2022 Capitalized Interest Account through [November 1, 2022], and thereafter shall be deposited into the Series 2022 Revenue Account and used for the purpose of such Account; or

(b) if there was a deficiency in the Series 2022 Reserve Account as of the most recent date on which amounts on deposit in the Series 2022 Reserve Account were valued by the Trustee, or if after such date withdrawals have been made from the Series 2022 Reserve Account and have created such a deficiency, then earnings on investments in the Series 2022 Reserve Account shall be retained in the Series 2022 Reserve Account until the amount on deposit therein is equal to the Series 2022 Reserve Account Requirement, and then earnings on investments in the Series 2022 Reserve Account shall be deposited into the Series 2022 Capitalized Interest Account through [November 1, 2022], and thereafter shall be deposited into the Series 2022 Revenue Account and used for the purpose of such Account.

The foregoing determination and disbursement shall be made prior to any recalculation and transfer of excess amounts on deposit in the Series 2022 Reserve Account made pursuant to Section 405 of the Second Supplemental Indenture.

Prepayment of the Series 2022 Assessments

[Pursuant to the Series 2022 Assessment Proceedings, an owner of property subject to the Series 2022 Assessments may pay all or a portion (up to two times) of the principal balance of such Series 2022 Assessments remaining due at any time if there is also paid an amount equal to the interest that would otherwise be due on such balance on the next succeeding Interest Payment Date for the Series 2022 Bonds, or, if prepaid during the forty-five (45) day period preceding such Interest Payment Date, on the second succeeding Interest Payment Date.]

Pursuant to the Act, an owner of property subject to the levy of Series 2022 Assessments may pay the entire balance of the Series 2022 Assessments remaining due, without interest, within thirty (30) days after the Assessment Area Two Project has been completed or acquired by the District, and the Board has adopted a resolution accepting the Assessment Area Two Project pursuant to Chapter 170.09, Florida Statutes. The Developer, as the owner of the property within Assessment Area Two of the District that is subject to the Series 2022 Assessments, will covenant to waive this right in connection with the issuance of the Series 2022 Bonds pursuant to a "Declaration of Consent (2022 Bonds)." Such declaration will be recorded in the public records of the County, and the covenants contained therein will be binding on future landowners of the District. The Series 2022 Bonds are subject to extraordinary mandatory redemption as indicated under "DESCRIPTION OF THE SERIES 2022 BONDS – Redemption Provisions – Extraordinary Mandatory Redemption" from optional prepayments of Series 2022 Assessments by property owners.

Provisions Relating to Bankruptcy or Insolvency of Landowner

The following provisions of 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, or tax parcels which are in the aggregate, subject to at least three percent (3%) of the Series 2022 Assessments pledged to the Series 2022 Bonds (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").

The District will acknowledge and agree in the Indenture that, although the Series 2022 Bonds were issued by the District, the Owners of the Series 2022 Bonds are categorically the party with the ultimate financial stake in the transaction and, consequently, the party with a vested and pecuniary interest in a Proceeding. In the event of any Proceeding involving an Insolvent Taxpayer:

(a) the District will agree that it shall seek to secure the written consent of the Trustee, acting at the direction of the Majority Owners of the Series 2022 Bonds then Outstanding, prior to making any election, giving any consent, commencing any action or filing any motion, claim, obligation, notice or application or in taking any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Series 2022 Assessments, the then Outstanding Series 2022 Bonds or any rights of the Trustee under the Indenture (provided, however, the Trustee shall be deemed to have consented, on behalf of the Majority Owners of the Series 2022 Bonds then Outstanding, to the proposed action if the District does not receive a written response from the Trustee within sixty (60) days following delivery to the Trustee of a written request for consent);

(b) the District will agree 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 2022 Assessments, the Series 2022 Bonds then Outstanding or any rights of the Trustee under the Indenture that are inconsistent with any written consent received (or deemed received) from the Trustee;

(c) the District will agree that it shall seek the written consent of the Trustee prior to filing and voting in any such Proceeding (provided, however, the Trustee shall be deemed to have consented, on behalf of the Majority Owners of the Series 2022 Bonds then Outstanding, to the proposed action if the District does not receive a written response from the Trustee within sixty (60) days following delivery to the Trustee of a written request for consent);

(d) the Trustee shall have the right, by interpleader or otherwise, to seek or oppose any relief in any such Proceeding that the District, as claimant with respect to the Series 2022 Assessments would have the right to pursue and, if the Trustee chooses to exercise any such rights, the District shall not oppose the Trustee in seeking to exercise 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 and/or defend any claims and proofs of claims, to vote to accept or reject a plan, to seek dismissal of the Proceeding, to seek stay relief to commence or continue foreclosure or pursue any other available remedies as to the Series 2022 Assessments, to seek substantive consolidation, to seek to shorten the Insolvent Taxpayer's exclusivity periods or to oppose any motion to extend such exclusivity periods, to oppose any motion for use of cash collateral or for authority to obtain financing, to oppose any sale procedures motion or any sale motion, to propose a competing plan of reorganization or liquidation, or to make any election under Section 1111(b) of the Bankruptcy Code; and

(e) the District shall not challenge the validity or amount of any claim submitted in good faith by the Trustee in such Proceeding or any valuations of the lands owned by any Insolvent Taxpayer submitted in good faith by the Trustee in such Proceeding or take any other action in such Proceeding, which is adverse to the Trustee's enforcement of the District's claim and rights with respect to the Series 2022 Assessments or receipt of adequate protection (as that term is defined in the Bankruptcy Code). Without limiting the generality of the foregoing, the District agrees that the Trustee shall have the right to (i) file a proof of claim with respect to the Series 2022 Assessments, (ii) deliver to the District a copy thereof, together with evidence of the filing with the appropriate court or other authority, and (iii) defend any objection filed to said proof of claim.

The District will acknowledge and agree in the Indenture that it shall not be a defense to a breach of the foregoing covenants that it has acted on advice of counsel in not complying with the foregoing covenants.

Nothing in the Indenture 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 for Operation and Maintenance Assessments 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 consents with respect to the Series 2022 Assessments whether such claim is pursued by the District or the Trustee; provided, however, that the District shall not oppose any relief sought by the Trustee under the authority granted to the Trustee in clause (d) above.

Events of Default and Remedies

The Master Indenture provides that each of the following shall be an "Event of Default" under the Indenture with respect to the Series 2022 Bonds:

(a) if payment of any installment of interest on any Series 2022 Bond is not made when it becomes due and payable; or

(b) if payment of the principal or Redemption Price of any Series 2022 Bond 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, fails in, or is rendered incapable of, fulfilling its obligations under the Indenture or under the Act, which may be determined solely by the Majority Holders of the Series 2022 Bonds; 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 2022 Bonds, 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 Majority Holders of the Outstanding Series 2022 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) if at any time the amount in the Series 2022 Reserve Account is less than the Series 2022 Reserve Account Requirement as a result of the Trustee withdrawing an amount therefrom to satisfy the Debt Service Requirement on the Series 2022 Bonds and such amount has not been restored within one hundred twenty (120) days of such withdrawal; or

(g) any portion of the Series 2022 Assessments shall have become Delinquent Assessments and, as the result thereof, the Indenture authorizes the Trustee to withdraw funds in an amount greater than twenty-five percent (25%) of the amount on deposit in Series 2022 Reserve Account to pay the Debt Service Requirements on the Series 2022 Bonds (regardless of whether the Trustee does or does not actually withdraw such funds from the Series 2022 Reserve Account to pay the Debt Service Requirements on the Series 2022 Bonds) (the foregoing being referred to as a "Series 2022 Reserve Account Event") unless within sixty (60) days from the Series 2022 Reserve Account Event the District has either paid to the Trustee (1) the amounts, if any, withdrawn from the Series 2022 Reserve Account or (2) the portion of the Delinquent Assessments giving rise to the Series 2022 Reserve Account Event; and

(h) more than fifteen percent (15%) of the Direct Billed Operation and Maintenance Assessments levied by the District on tax parcels subject to the Series 2022 Assessments are not paid by the date such are due and payable and such default continues for sixty (60) days after the date when due.

No Series 2022 Bonds shall be subject to acceleration unless the Series 2022 Assessments have been accelerated. Upon an Event of Default, no optional redemption and no extraordinary mandatory redemption of such Series 2022 Bonds pursuant to the Indenture shall occur unless all of the Series 2022 Bonds will be redeemed or 100% of the Holders of the Series 2022 Bonds agree to such redemption.

If any Event of Default with respect to the Series 2022 Bonds has occurred and is continuing, the Trustee, in its discretion may, and upon the written request of the Majority Holders of the aggregate

principal amount of the Outstanding Series 2022 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 2022 Bonds, including, without limitation, the right to require the District to carry out any agreements with, or for the benefit of, the Series 2022 Bondholders and to perform its or their duties under the Act;

(b) bring suit upon the Series 2022 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 2022 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 2022 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 2022 Bonds.

If any proceeding taken by the Trustee on account of any Event of Default is discontinued or is determined adversely to the Trustee, then the District, the Trustee, the Paying Agent and the Series 2022 Bondholders shall be restored to their former positions and rights under the Indenture as though no such proceeding had been taken.

The Majority Holders of the Series 2022 Bonds then subject to remedial proceedings under the 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 applicable law and the provisions of the Indenture.

No Bondholder of the Series 2022 Bonds shall have any right to pursue any remedy under the Indenture unless (a) the Trustee shall have been given written notice of an Event of Default, (b) the Majority Holders of the Series 2021 Bonds shall have requested the Trustee, in writing, to exercise the powers granted in such Indenture or to pursue such remedy in its or their name or names, (c) the Trustee shall have been offered indemnity satisfactory to it against costs, expenses and liabilities, and (d) the Trustee shall have failed to comply with such request within a reasonable time.

ENFORCEMENT OF ASSESSMENT COLLECTIONS

General

The primary source of payment for the Series 2022 Bonds is the collection of the Series 2022 Assessments imposed on certain lands in the District designated as Assessment Area Two that are specially benefited by the Assessment Area Two Project pursuant to the Series 2022 Assessment Proceedings. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX E: ASSESSMENT METHODOLOGY REPORT."

The imposition, levy, and collection of Series 2022 Assessments must be done in compliance with the provisions of Florida law. Failure by the District, the Manatee County Tax Collector ("Tax Collector") or the Manatee County Property Appraiser ("Property Appraiser") to comply with such requirements could result in delay in the collection of, or the complete inability to collect, the Series 2022 Assessments during any year. Such delays in the collection of the Series 2022 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 2022 Bonds. See "BONDOWNERS' RISKS." To the extent that landowners fail to pay the Series 2022 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 2022 Bonds. For the Series 2022 Assessments to be valid, the Series 2022 Assessments must meet two requirements: (1) the benefit from the Assessment Area Two Project to the lands subject to the Series 2022 Assessments must exceed or equal the amount of the Series 2022 Assessments, and (2) the Series 2022 Assessments must be fairly and reasonably allocated across all such benefitted properties.

Pursuant to the Act, and the Series 2022 Assessment Proceedings, the District may collect the Series 2022 Special Assessments through a variety of methods. See "BONDOWNERS' RISKS." Initially, the District will directly collect the Series 2022 Special Assessments levied in lieu of Uniform Method of Collection (the "Uniform Method") afforded by Chapter 197, Florida Statutes, with respect to any assessable lands within the Assessment Area Two within the District [which have not yet been platted, or for platted lots] that are owned by the Developer, or when the timing for using the Uniform Method will not yet allow for using such method, unless the Trustee at the direction of the Majority Holders directs the District otherwise. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: ASSESSMENT METHODOLOGY." As lands are platted and sold, the Series 2022 Special Assessments will be added to the County tax roll and collected pursuant to the Uniform Method. The following is a description of certain statutory provisions relating to each of these collection methods. Such description is not intended to be exhaustive and is qualified in its entirety by reference to such statutes.

Direct Billing & Foreclosure Procedure

As noted above, and pursuant to Chapters 170 and 190 of the Florida Statutes, the District may directly levy, collect and enforce the Series 2022 Assessments. In this context, Section 170.10 of the Florida Statutes provides that upon the failure of any property owner to timely pay all or any part of the annual installment of principal and/or interest of a special assessment due, including the Series 2022 Assessments, the whole assessment, with the interest and penalties thereon, shall immediately become due and payable and subject to foreclosure. Generally stated, the governing body of the entity levying the special assessment, in this case the District, may foreclose by commencing a foreclosure proceeding in the same manner as the foreclosure of a real estate mortgage, or, alternatively, by commencing an action under Chapter 173, Florida Statutes, which relates to foreclosure of municipal tax and special assessment liens. Such proceedings are in rem, meaning that the action would be brought against the land, and not against the landowner. 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 2022 Assessments and the ability to foreclose the lien of such Series 2022 Assessments upon the failure to pay such Series 2022 Assessments may not be readily available or may be limited because enforcement is dependent upon judicial action which is often subject to discretion and delay. Additionally, there is no guarantee that there will be demand for any foreclosed lands sufficient to repay the Series 2022 Assessments. See " BONDOWNERS' RISKS."

Uniform Method Procedure

Subject to certain conditions, and for developed lands (as described above), the District may alternatively elect to collect the Series 2022 Assessments using the Uniform Method. 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 2022 Assessments to be levied and then collected in this manner.

If the Uniform Method of collection is used, the Series 2022 Assessments will be collected together with County, school, special district, and other ad valorem taxes and non-ad valorem assessments (together, "Taxes and 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 Taxes and 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 2022 Assessments – are to be billed, and landowners in the District are required to pay, all Taxes and Assessments without preference in payment of any particular increment of the tax bill, such as the increment owing for the Series 2022 Assessments.

All Taxes and Assessments are payable at one time, except for partial payment schedules as may be provided by Florida law such as 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. Therefore, in the event the Series 2022 Assessments are to be collected pursuant to the Uniform Method, any failure to pay any one line item, would cause the Series 2022 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 2022 Bonds.

Under the Uniform Method, if the Series 2022 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 Taxes and 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 2022 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 2022 Assessments, (2) that future landowners and taxpayers in the District will pay such Series 2022 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 Series 2022 Assessment Proceedings to discharge the lien of the Series 2022 Assessments and all other liens that are coequal therewith.

Collection of delinquent Series 2022 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 2022 Assessments due. Prior to the sale of tax certificates, the landowner may bring current the delinquent Taxes and Assessments and cancel the tax certificate process by paying the total amount of delinquent Taxes and Assessments plus all applicable interest, costs and charges. If the landowner does not act, the Tax Collector is required to attempt to sell tax certificates by public bid to the person who pays the delinquent Taxes and Assessments owing, and any applicable interest, costs and charges, and who accepts the lowest interest rate per annum to be borne by the certificates (but not more than 18%).

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, which is currently 18%. The Tax Collector does not collect any money if tax certificates are issued, or struck off, to the County. The County may sell such certificates to the public at any time after issuance, but before a tax deed application is made, at the face amount thereof plus interest at the rate of not more than 18% per annum, costs and charges. Proceeds from the sale of tax certificates are required to be used to pay Taxes and Assessments (including the Series 2022 Assessments), interest, costs and charges on the real property described in the certificate.

Unless full payment for a tax deed is made to the clerk of court, including documentary stamps and recording fees, 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, and at a price equal to the face amount of the certificate or portion thereof together with all interest, costs, and charges 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 above.

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 other outstanding tax certificates covering the land, plus interest, any omitted taxes or delinquent taxes and interest, and current taxes, if due (as well as any costs of resale, if applicable). 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 or as soon thereafter as is reasonable. 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 all other costs to the applicant 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. The holder is also responsible for payment of any amounts included in the bid not already paid, including but not limited to, documentary stamp tax, recording fees, and, if property is homestead property, the moneys to cover the one-half value of the homestead. 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, together with all subsequent unpaid taxes plus the costs and expenses of the application for deed, with interest on the total of such sums, 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. If the property is purchased for an amount in excess of the statutory bid of the certificate holder, but such excess is not sufficient to pay all governmental liens of record, the excess shall be paid to each governmental unit pro rata.

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 clerk shall enter the land on a list entitled "lands available for taxes" and shall immediately notify the County Commission that the property is available. At any time within ninety (90) days from the date the property is placed on the list, the County may purchase the land for the opening bid, or may waive its rights to purchase the property. Thereafter, and without further notice or advertising, any person, the County or any other 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 the property was offered for sale, unsold lands escheat to the County in which they are located, free and clear, and all tax certificates and liens against the property are canceled and a deed is executed vesting title in the governing board of such County.

There can be no guarantee that the Uniform Method will result in the payment of Series 2022 Assessments. For example, the demand for tax 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 2022 Assessments, which are the primary source of payment of the Series 2022 Bonds. Additionally, 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. See "BONDOWNERS' RISKS."

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 2022 Bonds offered hereby and are set forth below. Prospective investors in the Series 2022 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 2022 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 2022 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 2022 Bonds.

Concentration of Land Ownership

As of the date of delivery of the Series 2022 Bonds, the Developer owns all of the assessable lands within Assessment Area Two, which are the lands that will be subject to the Series 2022 Assessments securing the Series 2022 Bonds. Payment of the Series 2022 Assessments is primarily dependent upon their timely payment by the Developer and the other future landowners in Assessment Area Two. Non-payment of the Series 2022 Assessments by any of the landowners could have a substantial adverse impact upon the

District's ability to pay the Debt Service Requirements on the Series 2022 Bonds. See "THE DEVELOPER" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2022 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 the Debt Service Requirements on the Series 2022 Bonds, as such bankruptcy could negatively impact the ability of: (i) the Developer and any other landowner to pay the Series 2022 Assessments; (ii) the Tax Collector to sell tax certificates in relation to such property with respect to the Series 2022 Assessments being collected pursuant to the Uniform Method; and (iii) the District to foreclose the lien of the Series 2022 Assessments not being collected pursuant to the Uniform Method. In addition, the remedies available to the Owners of the Series 2022 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 2022 Bonds, including, without limitation, enforcement of the obligation to pay Series 2022 Assessments and the ability of the District to foreclose the lien of the Series 2022 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 2022 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 2022 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 Taxpayer" (as previously defined). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2022 BONDS – Provisions Relating to Bankruptcy or Insolvency of Landowner." The District cannot express any view whether such delegation would be enforceable.

Series 2022 Assessments Are Non-Recourse

The principal security for the payment of the principal and interest on the Series 2022 Bonds is the timely collection of the Series 2022 Assessments. The Series 2022 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 2022 Assessments or that they will pay such Series 2022 Assessments even though financially able to do so. Neither the Developer nor any other subsequent landowners have any personal obligation to pay the Series 2022 Assessments. Neither the Developer nor any subsequent landowners are guarantors of payment of any Series 2022 Assessments, and the recourse for the failure of the Developer or any subsequent landowner to pay the Series 2022 Assessments is limited to the collection proceedings against the land subject to such unpaid Series 2022 Assessments, as described herein. Therefore the likelihood of collection of the Series 2022 Assessments may ultimately depend on the market value of the land subject to the Series 2022

Assessments. While the ability of the Developer or subsequent landowners to pay the Series 2022 Assessments is a relevant factor, the willingness of the Developer or subsequent landowners to pay the Series 2022 Assessments, which may also be affected by the value of the land subject to the Series 2022 Assessments, is also an important factor in the collection of Series 2022 Assessments. The failure of the Developer or subsequent landowners to pay the Series 2022 Assessments could render the District unable to collect delinquent Series 2022 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 Requirements on the Series 2022 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 – Zoning and Permitting" herein for more information.

The value of the land within the District, the success of the Development, the development of Assessment Area Two and the likelihood of timely payment of principal and interest on the Series 2022 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 2022 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" herein 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 Assessment Area Two.

The value of the lands subject to the Series 2022 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 2022 Bonds. The Series 2022 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 Assessment Area Two 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 2022 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 2022 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 2022 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" herein 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 2022 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 2022 Assessment, even though the landowner is not contesting the amount of the Series 2022 Assessment. However, Section 194.014, Florida Statutes, requires taxpayers challenging the assessed value of their property to pay all non-ad valorem assessments 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 2022 Bonds

The Series 2022 Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Series 2022 Bonds in the event an Owner thereof determines to solicit purchasers for the Series 2022 Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Series 2022 Bonds may be sold. Such price may be lower than that paid by the current Owners of the Series 2022 Bonds, depending on the progress of development of the Development and the lands within Assessment Area Two, as applicable, existing real estate and financial market conditions and other factors.

Inadequacy of Reserve Account

Some of the risk factors discussed herein, which, if materialized, would result in a delay in the collection of the Series 2022 Assessments, may not adversely affect the timely payment of the Debt Service Requirements on the Series 2022 Bonds because of the Series 2022 Reserve Account. The ability of the Series 2022 Reserve Account to fund deficiencies caused by delinquencies in the Series 2022 Assessments is dependent on the amount, duration and frequency of such deficiencies. Moneys on deposit in the Series 2022 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 Reserve Account to make up deficiencies. If the District has difficulty in collecting the Series 2022 Assessments, the Series 2022 Reserve Account would be rapidly depleted and the ability of the District to pay the Debt Service

Requirements on the Series 2022 Bonds could be materially adversely affected. In addition, during an Event of Default under the Indenture, the Trustee may withdraw moneys from the Series 2022 Reserve Account and such other Funds, Accounts and subaccounts created under the Indenture to pay its extraordinary fees and expenses incurred in connection with such Event of Default. If in fact the Series 2022 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 2022 Assessments in order to provide for the replenishment of the Series 2022 Reserve Account. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2022 BONDS – Series 2022 Reserve Account" herein for more information about the Series 2022 Reserve Account.

Legal Delays

If the District should commence a foreclosure action against a landowner for nonpayment of Series 2022 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 2022 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 2022 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, all of the members of the Board of the District were elected by the landowners and none 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. 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 2022 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 2022 Bonds are advised that, if the IRS does audit the Series 2022 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 2022 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 2022 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 2022 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 2022 Bonds would adversely affect the availability of any secondary market for the Series 2022 Bonds. Should interest on the Series 2022 Bonds become includable in gross income for federal income tax purposes, not only will Owners of Series 2022 Bonds be required to pay income taxes on the interest received on such Series 2022 Bonds and related penalties, but because the interest rate on such Series 2022 Bonds will not be adequate to compensate

Owners of the Series 2022 Bonds for the income taxes due on such interest, the value of the Series 2022 Bonds may decline.

THE INDENTURE DOES NOT PROVIDE FOR ANY ADJUSTMENT IN THE INTEREST RATES ON THE SERIES 2022 BONDS IN THE EVENT OF AN ADVERSE DETERMINATION BY THE IRS WITH RESPECT TO THE TAX-EXEMPT STATUS OF INTEREST ON THE SERIES 2022 BONDS. PROSPECTIVE PURCHASERS OF THE SERIES 2022 BONDS SHOULD EVALUATE WHETHER THEY CAN OWN THE SERIES 2022 BONDS IN THE EVENT THAT THE INTEREST ON THE SERIES 2022 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

The Series 2022 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 securities issued by political subdivisions. It is possible that federal or state regulatory authorities could in the future determine that the District is not a political subdivision for purposes of federal and state securities laws, including without limitation as the result of a determination by the IRS, judicial or otherwise, of the District's status for purposes of the Code. In such event, the District and purchasers of Series 2022 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 2022 Bonds would need to ensure that subsequent transfers of the Series 2022 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

Various legislative proposals are mentioned from time to time by members of Congress of the United States of America and others concerning reform of the internal revenue (tax) laws of the United States. In addition, the IRS may, in the future, issue rulings that have the effect of challenging the interpretation of existing tax laws. Certain of these proposals and interpretations, if implemented or upheld, could have the effect of diminishing the value of obligations of states and their political subdivisions, such as the Series 2022 Bonds, by eliminating or changing the tax-exempt status of interest on such bonds. Whether any such proposals will ultimately become or be upheld as law, and if so, the effect such proposals could have upon the value of bonds such as the Series 2022 Bonds cannot be predicted. However, it is possible that any such law or interpretation could have a material and adverse effect upon the availability of a liquid secondary market and/or the value of the Series 2022 Bonds. Prospective purchasers of the Series 2022 Bonds should consult their tax advisors as to the impact of any proposed or pending legislation. See also "TAX MATTERS" herein

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 renewed 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 2022 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 Assessment Area Two Project or the Construction of Homes within Assessment Area Two

The cost to finish the Assessment Area Two Project will exceed the net proceeds from the Series 2022 Bonds. There can be no assurance, in the event the District does not have sufficient moneys on hand to complete the Assessment Area Two Project, that the District will be able to raise, through the issuance of additional bonds or otherwise, the moneys necessary to complete the Assessment Area Two Project. Further, the Indenture sets forth certain limitations on the issuance of additional bonds. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2022 BONDS – Additional Obligations" herein for more information.

Although the Developer will agree to fund or cause to be funded the completion of the Assessment Area Two Project regardless of the insufficiency of proceeds from the Series 2022 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. Further, even if development of Assessment Area Two is completed, there are no assurances that homes will be constructed and sold within Assessment Area Two. See "THE DEVELOPER" herein for more information.

COVID-19 and Related Matters

In addition to the general economic conditions discussed above, the timely and successful completion of the Development and the construction and sale to end users of residential units may be adversely impacted by the continued spread of the novel strain of coronavirus called COVID-19 or by other highly contagious or epidemic or pandemic diseases. The United States, the State and the County have all previously imposed certain health and public safety restrictions in response to COVID-19 in the past. The District cannot predict whether new actions may be taken by government authorities in the future to contain or otherwise address the impact of the COVID-19 or similar outbreak.

To date, the outbreak has resulted in severe impacts on global financial markets, unemployment levels and commerce generally. The Developer may experience delays in obtaining certain development approvals as a result of the implementation of certain government actions and/or restrictions. The District and the Developer cannot predict the duration of the current COVID-19 outbreak, and the ultimate impact the COVID-19 outbreak may have on the Development is unknown. It is possible construction delays, delays in the receipt of permits or other government approvals, supply chain delays, increased costs, delays in sales to end users or other delays could occur, or continue to occur, as applicable, as a result of the COVID-19 outbreak or other highly contagious or epidemic or pandemic diseases that adversely impact the Development. See also "BONDOWNERS' RISKS – Economic Conditions and Changes in Development Plans" and "–Insufficient Resources or Other Factors Causing Failure to Complete the Assessment Area Two Project or the Construction of Homes within Assessment Area Two" herein.

Cybersecurity

The District relies on a technological environment to conduct its operations. The District, its agents and other third parties the District does business with or otherwise relies upon are subject to cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized access to such parties' digital systems for the purposes of misappropriating assets or information or causing operational disruption and damage. No assurances can be given that any such attack(s) will not materially impact the operations or finances of the District, which could impact the timely payment of the Debt Service Requirements on the Series 2022 Bonds.

Prepayment and Redemption Risk

In addition to being subject to optional and mandatory sinking fund redemptions, the Series 2022 Bonds are subject to extraordinary mandatory redemption as a result of prepayments of the Series 2022 Assessments by the Developer or subsequent owners of the property Assessment Area Two. Any such redemptions of the Series 2022 Bonds would be at the principal amount of such Series 2022 Bonds being redeemed plus accrued interest to the date of redemption. In such event, owners of the Series 2022 Bonds may not realize their anticipated rate of return on the Series 2022 Bonds and owners of any Premium Bonds (as defined herein) may receive less than the price they paid for the Series 2022 Bonds. See "DESCRIPTION OF THE SERIES 2022 BONDS – Redemption Provisions" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2022 BONDS – Prepayment of the Series 2022 Assessments" herein for more information.

Payment of Series 2022 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 Assessment Area Two, 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 2022 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 SERIES 2022 BOND PROCEEDS

Source of Funds

Principal Amount of Series 2022 Bonds	\$ _____
[Plus/Less: Net Original Issue Premium/Discount]	_____
 Total Sources	 \$ _____

Use of Funds

Deposit to Series 2022 Acquisition and Construction Account	\$ _____
Deposit to Series 2022 Reserve Account	_____
Deposit to Series 2022 Capitalized Interest Account ⁽¹⁾	_____
Costs of Issuance, including Underwriter's Discount ⁽²⁾	_____
 Total Uses	 \$ _____

-
- (1) Represents Capitalized Interest on the Series 2022 Bonds through [_____ 1, 202_].
 - (2) Costs of issuance includes, without limitation, legal fees and other costs associated with the issuance of the Series 2022 Bonds.

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THE DISTRICT

General Information

The District, which is the issuer of the Series 2022 Bonds, is a local unit of special purpose government of the State of Florida, created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and by Ordinance No. 18-28 of the Board of County Commissioners of Manatee County, Florida, enacted on June 12, 2018 and effective on [____], 2018 (the "Ordinance"). The District encompasses approximately 287 acres of land and is located to the north of Mendoza Road, between Ellenton Gillete Road and Interstate-75.

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) finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate and maintain systems, facilities, and basic infrastructure 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 waste-water 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; (iv) conservation areas, mitigation areas, and wildlife habitat; (v) any other project, facility, or service required by a development approval, interlocal agreement, zoning condition, or permit issued by a governmental authority with jurisdiction in the District, and (vi) 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 any bondholders to pursue any remedy for enforcement of any lien or pledge of the District in connection with its bonds, including the Series 2022 Bonds.

Board of Supervisors

The Act provides that a five-member Board of Supervisors (the "Board") serves as the governing body of the District. Members of the Board (the "Supervisors") must be residents of the State and citizens of the United States. Initially, the Supervisors were appointed in the Ordinance. Within 90 days after formation of the District, an election was held pursuant to which new Supervisors were elected on an at-large basis by the owners of the property within the District. Ownership of land within the District entitles the owner to one vote per acre (with fractions thereof rounded upward to the nearest whole number). A Supervisor serves until expiration of his or her term and until his or her successor is chosen and qualified. If, during a term of office, a vacancy occurs, the remaining Supervisors may fill the vacancy by an appointment of an interim Supervisor for the remainder of the unexpired term.

At the initial election held within 90 days after formation of the District, the landowners in the District elected two Supervisors to four-year terms and three Supervisors to two-year terms. Thereafter, the elections take place every two years, with the first such election being held on the first Tuesday in November, and subsequent elections being held on a date in November established by the Board. Upon the later of six years after the initial appointment of Supervisors and the year when the District next attains at least 250 qualified electors, Supervisors whose terms are expiring will begin to be elected (as their terms expire) by qualified electors of the District. A qualified elector is a registered voter who is at least eighteen years of age, a resident of the District and the State 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, each elected to four-year terms. The seat of the remaining Supervisor whose term is expiring at such election shall be filled by a Supervisor who is elected by the landowners for a four-year term and who is not required to be a qualified elector. Thereafter, as terms expire, all Supervisors must be qualified electors and must be elected by qualified electors to serve staggered four-year terms.

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 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.

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>
Ryan Zook*	Chairperson	November 2022
Nicolas Aparicio*	Vice-Chairperson	November 2024
Hal Lutz*	Assistant Secretary	November 2024
Brian Janek*	Assistant Secretary	November 2022
Greg Mundell*	Assistant Secretary	November 2022

* Employee of, or affiliated with, 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 Wrathell, Hunt & Associates, LLC, Boca Raton, Florida, to serve as its district manager ("District Manager"). The District Manager's office is located at 2300 Glades Rd., Ste. #410W, Boca Raton, Florida 33431.

The Act further authorizes the Board to hire such employees and agents as it deems necessary. Thus, the District has employed the services of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, as Bond Counsel; ZNS Engineering, L.C., Bradenton, Florida, as District Engineer; and Kutak Rock LLP, Tallahassee, Florida, as District Counsel. The Board has also retained Wrathell, Hunt & Associates, LLC, to serve as Methodology Consultant for the Series 2022 Bonds.

Outstanding Indebtedness

On April 10, 2019, the District issued its Special Assessment Revenue Bonds, Series 2018 (the "Series 2018 Bonds") in the original aggregate principal amount of \$10,090,000, of which \$[_____] was outstanding as of August [___], 2022. The Series 2019 Bonds are secured by the Series 2019 Assessments, which are levied on the 400 lots planned for the first phase of development, which are separate and distinct from the lands within Assessment Area Two of the District that are subject to the Series 2022 Assessments securing the Series 2022 Bonds.

[Remainder of page intentionally left blank.]

THE CAPITAL IMPROVEMENT PLAN AND THE ASSESSMENT AREA TWO PROJECT

ZNS Engineering, LC (the "District Engineer") prepared a report entitled Engineer's Report for Infrastructure Improvements dated October 3, 2018 (the "Master Engineer's Report"), as supplemented by the Supplemental Engineer's Report for Willows Community Development District, dated August 2022 (the "Supplemental Engineer's Report" and, collectively with the Master Engineer's Report, the "Engineer's Report") which sets forth certain public infrastructure costs associated with the 799 lots planned for the District Lands (the "Capital Improvement Plan"). A copy of the Supplemental Engineer's Report is attached hereto as Appendix A.

Land development associated with the District Lands will occur in phases. The District previously issued its Series 2019 Bonds in order to finance a portion of the public infrastructure improvements associated with the 400 lots planned for the first phase of land development (the "2019 Project"). The 2019 Project is [complete], all 400 lots have been developed (398 of which have been platted). The remaining two developed lots will be platted with the 398 lots in the Assessment Area Two Area. See "THE DEVELOPMENT – Update on the 2019 Project Area") herein for more information.

The Series 2022 Bonds are being issued in order to finance a portion of the Assessment Area Two, which consists of the public infrastructure improvements associated with the 399 lots planned for the second phase of the Development (the "Assessment Area Two Area"). The District Engineer estimates the total cost of the Assessment Area Two to be \$16,924,180.62, as more particularly described below.

<u>Assessment Area Two Description</u>	<u>Estimated Costs</u>
Roadways	\$2,974,268.74
Earthwork, Drainage, and Irrigation	7,985,309.12
Water & Wastewater	3,157,718.73
Landscape & Hardscape Features	1,460,925.63
Professional Fees, Design and Permitting	504,734.40
Consultants/Contingencies/Other	<u>841,224.00</u>
Total	<u>\$16,924,180.62</u>

The net proceeds of the Series 2022 Bonds will be approximately \$8.8 million* and such proceeds will be used by the District towards the funding and/or acquisition of a portion of the Assessment Area Two. The Developer will enter into a completion agreement that will obligate the Developer to complete any portions of the Assessment Area Two not funded with proceeds of the Series 2022 Bonds. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Assessment Area Two" herein.

Land development associated with the Assessment Area Two Area commenced in September 2021 and is [substantially complete], with final completion expected by February 2023. A plat for the 399 lots within the Assessment Area Two Area and the two remaining lots in the 2018 Project Area is expected to be recorded in September 2022. To date, the Developer has spent approximately [\$12,084,638] toward land development associated with the Assessment Area Two Area.

The District Engineer has indicated that all engineering permits necessary to construct the Assessment Area Two that are set forth in the Engineer's Report have been obtained or will be obtained in the ordinary course of business. In addition to the Engineer's Report, please refer to "THE

* Preliminary, subject to change.

DEVELOPMENT – Development Approvals" for a more detailed description of the entitlement and permitting status of the Development.

See "APPENDIX A: SUPPLEMENTAL ENGINEER'S REPORT" for more information regarding the above improvements.

ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS

Wrathell, Hunt & Associates, LLC, Boca Raton, Florida (the "Methodology Consultant"), has prepared a [Master Special Assessment Methodology Report dated _____, 20__] (the "Master Assessment Methodology"), as supplemented by the [First Supplemental Special Assessment Methodology Report dated _____, 202_], included herein as APPENDIX E (the "Supplemental Assessment Methodology" and together with the Master Assessment Methodology, the "Assessment Methodology"). The Assessment Methodology sets forth an overall method for allocating the Series 2022 Assessments to be levied against the lands within the District benefited by the Assessment Area Two Project and collected by the District as a result thereof. Once the final terms of the Series 2022 Bonds are determined, the Supplemental Assessment Methodology will be revised to reflect such final terms. Once levied and imposed, the Series 2022 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, including the operation and maintenance assessments, and other units of government. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein.

[To be updated upon receipt of supplemental assessment methodology: As set forth in the Assessment Methodology, the Series 2022 Special Assessments are initially levied on the approximately _____ gross acres comprising the Assessment Area Two Area until such time the lots are platted. Once platted, the assessments will be assigned to the platted lots in the District. Assuming that all of the planned 399 residential units are developed and platted, then the Series 2022 Special Assessments will be allocated on a per unit basis below and as set forth in the Assessment Methodology]. See "APPENDIX E: ASSESSMENT METHODOLOGY REPORT" attached hereto for more information.

<u>Product Type</u>	<u>No. of Units</u>	<u>Annual Series 2022 Special Assessments Per Unit*/**</u>	<u>Series 2022 Bonds Par Debt Per Unit*</u>
Single-Family	399	[\$1,769	\$24,586]

* Preliminary, subject to change.

**This amount assumes uniform collection method and has been grossed up to include early payment discounts and County collection fees, currently 7%.

The District anticipates levying annual assessments to cover its maintenance costs that will be approximately \$[_____] per unit, which amount is subject to change. The land within the District has been and is expected to continue to be subject to taxes and assessments imposed by taxing authorities other than the District. The total millage rate imposed on taxable properties in the District in 2021 was approximately [_____] mills. These taxes would be payable in addition to the Series 2022 Assessments and any other 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 Manatee 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 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 homeowners associations' assessments.

The 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 Bond Counsel, the District or its counsel, or the Underwriter or its counsel, and no persons other than the Developer make any representation or warranty as to the accuracy or completeness of such information supplied by them. 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 is not guaranteeing payment of the Series 2022 Bonds or the Series 2022 Assessments.

THE DEVELOPMENT

General

The District Lands encompass approximately 287 gross acres located entirely within the unincorporated area of Manatee County, Florida and contain a master planned residential community being marketed under the name "Silverstone North" (the "Development"). At buildout, the Development is planned to contain approximately 799 single-family residential units. The Development is located to the north of Mendoza Road, between Ellenton Gillete Road and Interstate-75. The Development is bordered on the east by Interstate-75 and on the west by the Willow Walk subdivision. The Development is located in the northern portion of Manatee County where development activity is occurring. The northern portion of the County typically offers lower price points than South Hillsborough County and is in close proximity to the Tampa Bay area and St. Petersburg, both of which are employment hubs and desirable areas for retirees.

The District previously issued its Series 2019 Bonds in order to finance a portion of the 2019 Project which consists of the public infrastructure improvements associated with the 400 lots planned for the first phase of land development. The 2019 Project is [complete], all 400 lots have been developed (398 of which have been platted). The remaining two developed lots will be platted with the 398 lots in the Assessment Area Two Area.

The Series 2022 Bonds are being issued in order to finance a portion of the Assessment Area Two, which consists of the public infrastructure improvements associated with the 399 lots planned for the Assessment Area Two Area. The Series 2022 Bonds will be secured by the Series 2022 Special Assessments which will initially be levied on the ___ acres which comprise the Assessment Area Two Area. As lots are platted, the Series 2022 Bonds will be assigned to the 399 lots planned for the Assessment Area Two Area on a first platted, first assigned basis as set forth in the Assessment Methodology attached hereto.

D.R. Horton, Inc., a Delaware corporation (the "Developer"), is the land developer and homebuilder for the Assessment Area Two Area. See "THE DEVELOPER" herein for more information. [globally update land ownership if SFTEN, a Horton subsidiary, still owns at time of posting.]

At build-out, the Development is expected to contain 799 residential units, consisting entirely of single-family homes. Homes will range in size from approximately 1,504 square feet to 3,313 square feet and prices will range from approximately \$365,990 to \$496,990. The target customers for units within the Development are primarily first time homebuyers and move-up buyers.

Update on the 2019 Project Area

The District previously issued its Series 2019 Bonds in order to finance a portion of the 2019 Project. The 2019 Project is [complete], all 400 lots have been developed (398 of which have been platted). The remaining two developed lots will be platted with the 398 lots in the Assessment Area Two Area. As of August 17, 2022, 172 homes have sold and closed with homebuyers, and an additional 78 homes have been sold pending closing within the 2019 Project Area. Approximately 138 homes are currently under construction.

Land Acquisition and Finance Plan

The Developer acquired the [land comprising the Assessment Area Two Area] on October 2, 2019 for approximately \$21,232,255. There are currently no mortgages on the lands within the Assessment Area Two Area.

The Developer estimates the total land development costs associated with the Assessment Area Two Area will be approximately [\$15,707,923], of which the Developer has spent approximately [\$12,084,638] to date, a portion of which has been spent towards the Assessment Area Two. The net proceeds of the Series 2022 Bonds will be approximately \$8.8 million* and additional moneys needed to complete the Development will be paid for by the Developer. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Assessment Area Two" herein.

Development Plan / Status

Land development associated with the Assessment Area Two Area commenced in September 2021 and is substantially complete, with final completion expected by February 2023, at which point sales and vertical construction will commence. A plat for the 399 lots within the Assessment Area Two Area and the two remaining lots in the 2018 Project Area is expected to be recorded in September 2022.

The Developer anticipates that approximately 130 homes within the Assessment Area Two Area will be delivered to homebuyers per annum commencing _____ until buildout, which is expected by 2028. This anticipated absorption is 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 rate will occur or be realized in the time frame anticipated.

Residential Product Offerings

The target customers for units within the Development are primarily first time homebuyers. Below is a summary of the expected types of units and price points for units in the Development.

<u>Product Type</u>	<u>Stories</u>	<u>Square Footage</u>	<u>Beds/Baths</u>	<u>Starting Price Points</u>
Alex	1	1,504	3 Bedrooms, 2 Baths	\$365,990
Aria	1	1,672	3 Bedrooms, 2 Baths	385,990
Cali	1	1,828	4 Bedrooms, 2 Baths	403,990

* Preliminary, subject to change.

<u>Product Type</u>	<u>Stories</u>	<u>Square Footage</u>	<u>Beds/Baths</u>	<u>Starting Price Points</u>
Darwin	2	1,961	3 Bedrooms, 2.5 Baths	401,990
Lantana	1	2,045	4 Bedrooms, 2.5 Baths	434,990
Elston	2	2,260	4 Bedrooms, 2.5 Baths	415,990
Ensley	2	2,371	4 Bedrooms, 3 Baths	424,990
Robie	2	2,447	5 Bedrooms, 3 Baths	420,990
Hayden	2	2,605	5 Bedrooms, 3 Baths	434,990
Coral	2	2,756	4 Bedrooms, 3 Baths	475,990
Hemingway	2	2,934	5 Bedrooms, 3 Baths	484,990
Holden	2	3,313	4 Bedrooms, 3 Baths	496,990

Zoning and Permitting

The land within the District, without limitation, the land therein subject to the Series 2022 Assessments is zoned to allow for the contemplated residential uses described herein pursuant to zoning ordinance (PDR-16-21(Z)(P) previously issued by Manatee County (the "Zoning Ordinance"). The Zoning Ordinance also approved the preliminary site plan for the Development.

The District's Consulting Engineer has indicated that all permits have been received by jurisdictional agencies to allow for the development of the Development and construction of the Assessment Area Two as contemplated herein or are reasonably expected to be received in the ordinary course.

[Any permits outstanding? Any material development obligations?]

See "APPENDIX C: ENGINEER'S REPORT" for more information.

Environmental

A Phase I Environmental Site Assessment was performed on the land in the District. The ESA revealed no Recognized Environmental Conditions in connection with the Development. See "BONDOWNERS' RISK – Environmental and Regulatory Risks" herein for more information regarding potential environmental risks.

Amenities

The Development contains an open pavilion style, approximately 2,000 square foot amenity with cabana which includes an approximately 2,200 square foot pool (the "Amenity"). Construction of the Amenity is complete at an approximate cost of [\$1 million].

Utilities

Potable water, wastewater treatment and reclaimed wastewater (reuse services) for the Development are provided by Manatee County, Florida. Electric power is provided by Peace River Electric Cooperative. All utility services are available to the property.

Taxes, Fees and Assessments

As set forth in the Assessment Methodology, the Series 2022 Special Assessments are initially levied on the approximately ____ gross acres comprising the Assessment Area Two Area until such time the lots are platted. Once platted, the assessments will be assigned to the platted lots in the District. Assuming that all of the planned 399 residential units are developed and platted, then the Series 2022 Special Assessments will be allocated on a per unit basis below and as set forth in the Assessment Methodology. See "APPENDIX D: ASSESSMENT METHODOLOGY" herein.

<u>Product Type</u>	<u>No. of Units</u>	<u>Annual Series 2022 Special Assessments Per Unit*/**</u>	<u>Series 2022 Bonds Par Debt Per Unit*</u>
Single-Family	399	[\$1,769	\$24,586]

*Preliminary, subject to change.

**This amount assumes uniform collection method and has been grossed up to include early payment discounts and County collection fees, currently 7%.

The District anticipates levying assessments to cover its operation and maintenance costs that will be approximately \$____ per residential unit annually; which amount is subject to change. In addition, residents will be required to pay homeowners association fees which are currently estimated to be \$____ per year per residential unit, which amount is subject to change. The land within the District has been and is expected to continue to be subject to taxes and assessments imposed by taxing authorities other than the District. The total millage rate imposed on taxable properties in the District is currently approximately _____ mills. These taxes would be payable in addition to the Series 2022 Special Assessments and any other assessments levied by the District; which amount is subject to change. 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 Manatee 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 levied by these other entities could be substantially higher than in the current year.

Education

The public schools for children residing in the Development are expected to be James Tillman Elementary School, Buffalo Creek Middle School and Palmetto High School, which are located approximately ____ miles, ____ miles, and ____ miles from the Development, respectively, and which were rated B, C and C, respectively, by the Florida Department of Education in 2022. The Manatee 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.

Competition

The following communities have been identified by the Developer as being competitive with the Development, because of their proximity to the Development, price ranges and product types. Those communities include Bella Lago, Crosswind Point, Summerwoods, Trevesta, and Silver Leaf.

The information under this heading 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 feels pose primary competition to the Development.

Developer Agreements

[The Developer will enter into a completion agreement that will obligate the Developer to complete any portions of the Assessment Area Two Project not funded with proceeds of the Series 2022 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 the Assessment Area Two Project and the development of Assessment Area Two. That said, the Developer has previously granted similar rights ("Prior Collateral Assignments") in connection with the issuance of the Series 2019 Bonds, and such rights under such Prior Collateral Assignments are superior to and may take priority over the rights granted under the Collateral Assignment. Notwithstanding such Collateral Assignment, in the event the District forecloses on the lands subject to the Series 2022 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 Assessment Area Two Project or the development of Assessment Area Two. 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 Assessment Area Two 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 Assessment Area Two. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Assessment Area Two Project or the Construction of Homes within the District" and "THE Developer" herein for more information regarding the Developer.]

THE DEVELOPER

[D.R. Horton, Inc., a Delaware corporation] (the "Developer"), is the land developer and homebuilder for the Assessment Area Two Area.

[Horton] common stock trades on the New York Stock Exchange under the ticker symbol DHI. Horton is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith files reports, proxy statements and other information, including financial statements, with the Securities and Exchange Commission (the "SEC"). Such filings, particularly Horton's annual and quarterly reports filed on Form 10-K and Form 10-Q, set forth certain data relative to the consolidated results of operations and financial position of Horton, and its subsidiaries as of such date. The SEC maintains an Internet web site that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC, including Horton. The address of such Internet web site is www.sec.gov. All documents subsequently filed by Horton pursuant to the requirements of the Exchange Act after the date of this Limited Offering Memorandum will be available for inspection in such manner as the SEC prescribes.

Neither the Developer nor any of the other entities listed above are guaranteeing payment of the Series 2022 Bonds or the Series 2022 Assessments. None of the entities listed herein, other than the Developer, has entered into any agreements in connection with the issuance of the Series 2022 Bonds.

TAX MATTERS

Opinion of Bond Counsel

In the opinion of Bond Counsel, the form of which is attached hereto as APPENDIX C, the interest on the Series 2022 Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal individual alternative minimum tax under existing statutes, regulations, rulings and court decisions. For tax years beginning after December 31, 2022, interest on the Series 2022 Bonds that is included in the "adjusted financial statement income" of certain corporations is not excluded for purposes of computing the federal corporate alternative minimum tax. Failure by the District to comply subsequently to the issuance of the Series 2022 Bonds with certain requirements of the Internal Revenue Code of 1986, as amended (as previously defined, the "Code"), including but not limited to requirements regarding the use, expenditure and investment of Series 2022 Bond proceeds and the timely payment of certain investment earnings to the Treasury of the United States, may cause interest on the Series 2022 Bonds to become includable in gross income for federal income tax purposes retroactive to their date of issuance. The District has covenanted to comply with all provisions of the Code necessary to, among other things, maintain the exclusion from gross income of interest on the Series 2022 Bonds for purposes of federal income taxation. In rendering its opinion, Bond Counsel has assumed continuing compliance with such covenants.

Internal Revenue Code of 1986

The Code contains a number of provisions that apply to the Series 2022 Bonds, including, among other things, restrictions relating to the use or investment of the proceeds of the Series 2022 Bonds and the payment of certain arbitrage earnings in excess of the "yield" on the Series 2022 Bonds to the Treasury of the United States. Noncompliance with such provisions may result in interest on the Series 2022 Bonds being included in gross income for federal income tax purposes retroactive to their date of issuance.

Collateral Tax Consequences

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of, the Series 2022 Bonds. Prospective purchasers of the Series 2022 Bonds should be aware that the ownership of the Series 2022 Bonds may result in other collateral federal tax consequences. For example, ownership of the Series 2022 Bonds may result in collateral tax consequences to various types of corporations relating to (1) denial of interest deduction to purchase or carry such Series 2022 Bonds, (2) the branch profits tax, and (3) the inclusion of interest on the Series 2022 Bonds in passive income for certain Subchapter S corporations. In addition, the interest on the Series 2022 Bonds may be included in gross income by recipients of certain Social Security and Railroad Retirement benefits.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2022 BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE SERIES 2022 BONDHOLDERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

Florida Taxes

In the opinion of Bond Counsel, the Series 2022 Bonds and interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220,

Florida Statutes, on interest, income or profits on debt obligations owned by corporations, as defined in said Chapter 220.

Other Tax Matters

Interest on the Series 2022 Bonds may be subject to state or local income taxation under applicable state or local laws in other jurisdictions. Purchasers of the Series 2022 Bonds should consult their tax advisors as to the income tax status of interest on the Series 2022 Bonds in their particular state or local jurisdictions.

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 2022 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 2022 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 2022 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 2022 Bonds.

On February 23, 2016, the Internal Revenue Service issued a notice of proposed rulemaking (the "Proposed Regulations") and notice of public hearing containing proposed regulations that provided guidance regarding the definition of political subdivision for purposes of the rules for tax-exempt bonds, including determinations of entities that are valid issuers of tax-exempt bonds. 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." The Proposed Regulations were officially withdrawn on October 20, 2017. See also "BONDOWNERS' RISKS – IRS Examination and Audit Risk" herein.

Original Issue Discount

Certain of the Series 2022 Bonds (the "Discount Bonds") may be offered and sold to the public at an original issue discount, which is the excess of the principal amount of the Discount Bonds over 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 was sold. Original issue discount represents interest which is excluded from gross income for federal income tax purposes to the same extent as interest on the Series 2022 Bonds. Original issue discount will accrue over the term of a Discount Bond at a constant interest rate compounded semi-annually. A purchaser who acquires a Discount Bond at 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 such purchaser holds such Discount Bond and will increase its adjusted basis in such Discount Bond by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or other disposition of such Discount Bond. The federal income tax consequences of the purchase, ownership and prepayment, sale or other disposition of 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. Owners of Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale,

prepayment or other disposition of such Discount Bonds and with respect to the state and local tax consequences of owning and disposing of such Discount Bonds.

Bond Premium

Certain of the Series 2022 Bonds (the "Premium Bonds") may be offered and sold to the public at a price in excess of the principal amount of such Premium Bond, which excess constitutes to an initial purchaser amortizable bond premium which is not deductible from gross income for federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of the Premium Bonds which term ends on the earlier of the maturity or call date for each Premium Bond which minimizes the yield on said Premium Bonds to the purchaser. For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation in the initial offering to the public at the initial offering price is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Premium Bonds. The federal income tax consequences of the purchase, ownership and sale or other disposition of Premium Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

AGREEMENT BY THE STATE

Under the Act, the State of Florida pledges to the holders of any bonds issued thereunder, including the Series 2022 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 2022 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 2022 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 transfers in any secondary market for the Series 2022 Bonds. Investment in the Series 2022 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 2022 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 2022 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2022 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 against the District, seeking to restrain or enjoin the issuance, sale, execution or delivery of the Series 2022 Bonds, or in any way contesting or affecting (i) the validity of the Series 2022 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 2022 Bonds, (iii) the existence or powers of the District or (iv) the validity of the Series 2022 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 of the Development or to complete the Assessment Area Two Project as described herein, or materially and adversely affect the ability of the Developer to pay the Series 2022 Assessments imposed against the land within Assessment Area Two of the District owned by the Developer or to otherwise perform its various respective obligations described in this Limited Offering Memorandum.

CONTINGENT FEES

The District has retained Bond Counsel, District Counsel, the Consulting Engineer, the District Manager/Methodology Consultant, the Underwriter (which has retained Underwriter's Counsel) and the Trustee (which has retained Trustee's counsel), with respect to the authorization, sale, execution and delivery of the Series 2022 Bonds. Except for the payment of certain fees to District Counsel, the Consulting Engineer and the District Manager, the payment of fees of the other professionals is each contingent upon the issuance of the Series 2022 Bonds.

NO RATING

No application for a rating for the Series 2022 Bonds has been made to any rating agency, nor is there any reason to believe that an investment grade rating for the Series 2022 Bonds would have been obtained if application had been made.

EXPERTS

The Supplemental Engineer's Report included in APPENDIX A to this Limited Offering Memorandum has been prepared by ZNS Engineering, L.C., Bradenton, Florida, the District Engineer.

APPENDIX A should be read in its entirety for complete information with respect to the subjects discussed therein. Wrathell, Hunt & Associates, LLC, Boca Raton, Florida, as Methodology Consultant, has prepared the Assessment Methodology set forth as APPENDIX E hereto. APPENDIX E should be read in its entirety for complete information with respect to the subjects discussed therein.

FINANCIAL INFORMATION

This District will covenant in a Continuing Disclosure Agreement, the proposed form of which is set forth in APPENDIX D hereto, to provide its annual audited financial statements to certain information repositories as described in APPENDIX D, commencing with the audit for the District fiscal year ending September 30, 2022. Attached hereto as APPENDIX F is a copy of the District's audited financial statements for the District's fiscal year ended September 30, 2021, as well as the District's unaudited monthly financial statements for the period ended [_____], 2022. Such financial statements, including the auditor's report included within the audited financial statements, have been included in this Limited Offering Memorandum as public documents and consent from the auditor was not requested. Further, the auditors have not performed any services related to, and therefore are not associated with, the preparation of this Limited Offering Memorandum. The Series 2022 Bonds are not general obligation bonds of the District and are payable solely from the Series 2022 Trust Estate.

Beginning October 1, 2015, or by the end of the first full fiscal year after its creation, each community development district in Florida must have a separate website with certain information as set forth in Section 189.069, F.S., including, without limitation, the district's proposed and final budgets and audit. Additional information regarding the District's website is available from the District Manager at the address set forth under "THE DISTRICT – The District Manager and Other Consultants."

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 never been in default as to principal and interest on its bonds or other debt obligations.

CONTINUING DISCLOSURE

The District and the Developer will enter into the Continuing Disclosure Agreement (the "Disclosure Agreement") in the proposed form of APPENDIX D, for the benefit of the Series 2022 Bondholders (including owners of beneficial interests in such Series 2022 Bonds), 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 D: 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 2022 Bondholders (including owners of beneficial interests in such Series 2022 Bonds) to bring an action for specific performance.

The District has previously entered into a continuing disclosure undertaking pursuant to Rule 15c2-12, promulgated under the Securities Exchange Act of 1934, as amended (the "Rule"), with respect to its

Series 2019 Bonds. [A review of filings made pursuant to such prior undertaking indicates that the District has not materially failed to comply with its requirements thereunder within the last five years.] The Developer has previously entered into continuing disclosure obligations pursuant to the Rule in connection with other community development districts. A review of filings made pursuant to such prior undertakings indicates that certain filings required to be made by the Developer were not timely filed and that notice of such late filings was not always provided. The District and Developer anticipate satisfying all future disclosure obligations required pursuant to the Disclosure Agreement. The District will appoint the District Manager to serve as dissemination agent under the Disclosure Agreement for the Series 2022 Bonds.

UNDERWRITING

FMSbonds, Inc. (the "Underwriter") has agreed, pursuant to a contract with the District, subject to certain conditions, to purchase the Series 2022 Bonds from the District at a purchase price of \$_____ (representing the par amount of the Series 2022 Bonds [plus/less net original issue premium discount of \$_____ and] less an 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 2022 Bonds if any are purchased.

The Underwriter intends to offer the Series 2022 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 2022 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

Bonds issued pursuant to the terms of the Master Indenture have been validated by a judgment of the Circuit Court of the Twelfth Judicial Circuit Court of Florida in and for Manatee County, Florida, rendered on December 4, 2018. The period of time during which an appeal can be taken from such judgment must expire without an appeal having been taken.

LEGAL MATTERS

Certain legal matters related to the authorization, sale and delivery of the Series 2022 Bonds are subject to the approval of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel. Certain legal matters will be passed upon for the District by its counsel Kutak Rock LLP, Tallahassee, 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.

The legal opinions of Bond Counsel to be delivered concurrently with the delivery of the Series 2022 Bonds 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 of such opinions. 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.

AUTHORIZATION AND APPROVAL

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

**WILLOWS COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Chairperson, Board of Supervisors

APPENDIX A
SUPPLEMENTAL ENGINEER'S REPORT

APPENDIX B

**COPY OF MASTER INDENTURE AND PROPOSED FORM OF
THE SECOND SUPPLEMENTAL INDENTURE**

APPENDIX C

**PROPOSED FORM OF APPROVING OPINION
OF BOND COUNSEL**

APPENDIX D

**PROPOSED FORM OF
CONTINUING DISCLOSURE AGREEMENT**

APPENDIX E
ASSESSMENT METHODOLOGY REPORT

APPENDIX F
DISTRICT'S FINANCIAL STATEMENTS

WILLOWS

COMMUNITY DEVELOPMENT DISTRICT

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CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this "Disclosure Agreement") dated as of _____, 2022 is executed and delivered by the Willows Community Development District (the "Issuer" or the "District"), [D.R. Horton, Inc., a Delaware corporation] (the "Developer"), and Wrathell, Hunt & Associates, LLC, a Florida limited liability company, as dissemination agent (the "Dissemination Agent") in connection with the Issuer's Special Assessment Revenue Bonds, Series 2022 (Assessment Area Two) (the "Bonds"). The Bonds are secured pursuant to a Master Trust Indenture dated as of April 1, 2019 (the "Master Indenture") and a Second Supplemental Trust Indenture dated as of September 1, 2022 (the "Second Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each entered into by and between the Issuer and U.S. Bank Trust Company, 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 Fort Lauderdale, Florida, as trustee (the "Trustee"). The Issuer, the Developer and the Dissemination Agent covenant and agree as follows:

1. **Purpose of this Disclosure Agreement.** This Disclosure Agreement is being executed and delivered by the Issuer, the Developer and the Dissemination Agent 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 Issuer 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 Issuer or other Obligated Person (as defined herein) to provide additional information, the Issuer 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 Issuer, 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 Issuer, the Trustee or any other person from making any reports, filings or notifications required by the Indenture or any applicable law.

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 Issuer 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 Assessments.

"Assessments" shall mean the non-ad valorem Series 2022 Assessments pledged to the payment of the Bonds pursuant to the Indenture.

"Audited Financial Statements" means the financial statements (if any) 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.

"Bond Year" means the annual period beginning on the second day of November of each year and ending on the first day of November of the following year.

"Business Day" means any day other than (a) a Saturday, Sunday or a 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" shall mean the Issuer or an 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. Wrathell, Hunt & Associates, LLC has been designated as the initial Dissemination Agent hereunder.

"District Manager" shall mean Wrathell, Hunt & Associates, LLC, and its successors and assigns.

"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" shall mean that Limited Offering Memorandum dated _____, 2022, prepared in connection with the issuance of the Bonds.

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

"MSRB" means 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 for so long as such Developer or its affiliates, successors or assigns (excluding residential homebuyers who are end users) are the owners of District Lands responsible for payment of at least 20% of the 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 [February 1, 2023].

"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.

"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.

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 March 31st following the close of the Issuer's Fiscal Year (the "Annual Filing Date"), commencing with the Annual Report for the Fiscal Year ending September 30, 2022. 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 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)(xvii) 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)(xvii) shall have occurred and the Dissemination Agent shall 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 Statements 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.

4. **Content of Annual Reports.**

(a) Each Annual Report shall be in the form set in Schedule A attached hereto and shall contain the following Annual Financial Information with respect to the Issuer:

(i) All fund balances in all Funds, Accounts and subaccounts for the Bonds and the total amount of Bonds Outstanding, in each case as of December 31st following the end of the most recent prior Fiscal Year.

(ii) The method by which Assessments are being levied (whether on-roll or off-roll) and the amounts being levied by each method in the Assessment Area for the current Fiscal Year, and a copy of the assessment roll (on roll and off roll) for the Assessments certified for collection in the Assessment Area for the current Fiscal Year.

(iii) The method by which Assessments were levied (whether on-roll or off-roll) and the amounts levied by each method in the Assessment Area for the most recent prior Fiscal Year.

(iv) The amount of Assessments collected in the Assessment Area from the property owners during the most recent prior Fiscal Year.

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

(vi) 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.

(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 Issuer.

(ix) In the event of any amendment or waiver of a provision of this Disclosure Agreement, a description of such amendment or waiver in the next Annual Report, and in each case 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 Issuer. 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.

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 later than March 31st 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 Issuer 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 Issuer 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.

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 no later than the applicable Quarterly Filing Date, the Dissemination Agent shall provide a Quarterly Report to the Repository.

(b) Each Quarterly Report shall be in the form set in Schedule B attached hereto and contain an update of the following information to the extent available:

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

(ii) With respect to lots owned in the Assessment Area by the Obligated Person: the total number of lots owned, the number of lots under contract but not closed with a homebuilder and the name of such homebuilder, the number of lots closed with a homebuilder, and the number of lots not under contract with a homebuilder.

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

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

(v) With respect to undeveloped and unplatted lands owned in the Assessment Area by the Obligated Person, a description of the status for lot development within such lands.

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

(vii) The number and type of homes under contract and not closed with homebuyers in the Assessment Area in such quarter.

(viii) With respect to the Assessment Area, material changes to (1) builder contracts, (2) the number or type of lots planned to be developed, (3) permits/approvals, and (4) existing mortgage debt of the Obligated Person or the incurrence of new mortgage debt by the Obligated Person.

(ix) Any sale, assignment or transfer of ownership by the Obligated Person of lands in the Assessment Area to a third party which will in turn become an Obligated Person hereunder.

(c) If an Obligated Person sells, assigns or otherwise transfers ownership of real property in the 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 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.

6. **Reporting of Listed Events.**

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

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on the Series 2022 Reserve Account 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

* Not applicable to the Bonds at their date of issuance.

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 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 a Financial Obligation of the Issuer or Obligated Person, any of which reflect financial difficulties;

(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; and

(xviii) Any amendment to the accounting principles to be followed in preparing financial statements as required pursuant to Section 4(a)(ix) hereof.

(b) The Issuer shall give, or cause to be given, notice of the occurrence of any of the above subsection (a) Listed Events to the Dissemination Agent in writing in sufficient time in order to allow the Dissemination Agent to file notice of the occurrence of such Listed Event in a timely manner not in excess of ten (10) Business Days after its occurrence, with the exception of the Listed Events described in Section 6(a)(xvii) and (xviii), which notice will be given in a timely manner. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (d) below. Such notice by the Issuer to the Dissemination Agent 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 Dissemination Agent to disseminate the information (provided that such date is in compliance within the filing dates provided within this Section 6(b)).

(c) Notwithstanding anything contained in Section 6(b) above, each Obligated Person other than the Issuer shall notify the Issuer and the Dissemination Agent of the occurrence of a Listed Event described in subsections (a)(x), (xii), (xiii), (xv), (xvi) or (xvii) that has occurred

with respect to such Obligated Person in compliance with the notification and filing requirements provided in Section 6(b).

(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.

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

8. **Dissemination Agent.** 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. The initial Dissemination Agent shall be Wrathell, Hunt & Associates, LLC. The acceptance of such designation is evidenced by the execution of this Disclosure Agreement by a duly authorized signatory of Wrathell, Hunt & Associates, LLC. Wrathell, Hunt & Associates, LLC, may terminate its role as Dissemination Agent at any time upon delivery of sixty (60) days prior written notice to the District and each Obligated Person. The District may terminate the agreement hereunder with the Dissemination Agent at any time upon delivery of sixty (60) days prior written notice to the Dissemination Agent and each Obligated Person.

9. **Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Agreement, the Issuer 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 Issuer, 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, if any.

10. **Additional Information.** Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer 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 Issuer 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 Issuer 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.

11. **Default.** In the event of a failure of the Issuer, the Disclosure Representative, any Obligated Person or the Dissemination Agent to comply with any provision of this Disclosure

Agreement, the Trustee may (and, at the request of any Participating Underwriter or the Beneficial Owners of at least twenty-five percent (25%) aggregate principal amount of Outstanding Bonds and receipt of indemnity satisfactory to the Trustee, shall), 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 Issuer, the Disclosure Representative, any Obligated Person or a 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 Issuer 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 Issuer, the Disclosure Representative, any Obligated Person, or a Dissemination Agent, to comply with this Disclosure Agreement shall be an action to compel performance.

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.

13. **Beneficiaries.** This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Developer, the Dissemination Agent, the Trustee, the Participating Underwriter and the Owners of the Bonds (the Dissemination Agent, the Trustee, Participating Underwriter and 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.

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

15. **Governing Law.** The laws of the State of Florida and Federal law shall govern this Disclosure Agreement and venue shall be any state or federal court having jurisdiction in Manatee County, Florida.

16. **Counterparts.** This Disclosure Agreement may be executed in several counterparts, each of which shall be considered an original and all of which shall constitute but

one and the same instrument. A scanned copy of the signatures delivered in a PDF format may be relied upon as if the original had been received.

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

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 has executed this Disclosure Agreement as of the date and year set forth above.

WILLOWS COMMUNITY DEVELOPMENT DISTRICT, AS ISSUER

[SEAL]

By: _____
Ryan Zook, Chairperson
Board of Supervisors

ATTEST:

By: _____
_____, Secretary

[D.R. HORTON, INC.], AS DEVELOPER

By: _____
Name: _____
Title: _____

WRATHELL, HUNT & ASSOCIATES, LLC, and its successors and assigns, AS DISSEMINATION AGENT

By: _____
Name: _____
Title: _____

CONSENTED TO AND AGREED TO BY:

DISTRICT MANAGER

WRATHELL, HUNT & ASSOCIATES, LLC, AS DISTRICT MANAGER

By: _____
Name: _____
Title: _____

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

**U.S. BANK TRUST COMPANY, 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: Willows Community Development District

Name of Bond Issue: \$_____ original aggregate principal amount of Special Assessment Revenue Bonds, Series 2022 (Assessment Area Two)

Obligated Person(s): Willows Community Development District;
_____.

Original Date of Issuance: _____, 2022

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 _____, 2022, by and between the Issuer, the Developer 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
Trustee

SCHEDULE A

FORM OF DISTRICT'S ANNUAL REPORT (Due 3/31)

1. Fund Balances

Combined Trust Estate Assets	<u>Quarter Ended – 12/31</u>
Acquisition and Construction Fund	
Revenue Fund	
Reserve Fund	
Prepayment Fund	
Other	
Total Bonds Outstanding	
TOTAL	

2. Assessment Certification and Collection Information

1. For the Current District Fiscal Year – Manner in which Assessments are collected (On Roll vs. Off Roll)

	<u>\$ Certified</u>
On Roll	\$ _____
Off Roll	\$ _____
TOTAL	\$ _____

2. Attach to Report the following:
- A. On Roll – Copy of certified assessment roll for the District's current Fiscal Year
 - B. Off Roll – List of folios and ownership for all off roll Assessments, together with par and annual Assessment assigned to each folio

3. For the immediately ended Bond Year, provide the levy and collection information

<u>Total Levy</u>	<u>\$ Levied</u>	<u>\$ Collected</u>	<u>% Collected</u>	<u>% Delinquent</u>
On Roll	\$ _____	\$ _____	___%	___%
Off Roll	\$ _____	\$ _____	___%	___%
TOTAL				

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

5. 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

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

SCHEDULE B

FORM OF OBLIGATED PERSON'S QUARTERLY REPORT

Bond Information

Willows Community Development District

Date of Quarterly Report _____

Bond Series 2022

Area/Project Assessment Area Two

NOTE: IF MORE THAN ONE ASSESSMENT AREA, INFORMATION NEEDS TO BE COMPLETED FOR EACH AREA

1. Unit Mix For Land Subject To Assessments

<u>Type</u>	<u>Number of Lots/Units</u>	<u>Ownership Information</u>		
		<u>Developer Owned</u>	<u>Builder Owned</u>	<u>Homeowner Owned</u>
Total				

2. For Lots owned by Obligated Person (if applicable)

<u>Type</u>	<u># of Lots Owned by Obligated Person</u>	<u># of Lots Under Contract With Builders (NOT CLOSED)</u>	<u># of Lots NOT Under Contract</u>	<u>Name of Builder</u>	<u>Expected Takedown Date(s)</u>
Total					

3. Status of Land Subject to Assessments

A. Lots developed (cumulative, not quarterly activity), by phase or sub-phase:

	<u>Assessment Area</u>
Total	

B. Lots platted (cumulative, not quarterly activity), by phase or sub-phase:

	<u>Assessment Area</u>
Total	

C. For lots not developed, and platted, provide brief description on status of lot development for land area securing the Bonds:

1. When do you anticipate lots will be developed (for each phase or sub phase)?
2. When do you anticipate lots will be platted (for each phase or sub phase)?
3. Provide total amount of money spent on land development to date (include money funded with bonds and with other sources)

D. Homes Closed with End-Users:

	<u>CUMULATIVE</u>
Total	

E. Homes Sold To End Users (AND NOT CLOSED):

	<u>QUARTER ONLY</u>
Total	

4. Development Changes and Status Updates

1. Material changes to Builder Contracts (i.e., change of terms or cancellation of contract, change of takedown dates)?
2. Any bulk sales of land within the District to other developers or builders?
3. Any material changes to the number or type of lots planned to be developed in the Assessment Area?
4. Any materially adverse changes or determinations to permits/approvals for the Assessment Area which necessitate changes to the development plans?
5. Incurrence of any new or modified mortgage debt on the land owned by the Obligated Person in the Assessment Area (amount, rate, and term)?
6. Sale, assignment or transfer of ownership of real property in the Assessment Area to a third party, which will in turn be an Obligated Person?

*This report contains statements, which to the extent they are not recitations of historical fact, constitute "forward-looking statements." In this respect, the words "anticipate", "estimate", "expect", and "belief", and similar expressions are intended to identify forward-looking statements. Such statements may be subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements.

WILLOWS

COMMUNITY DEVELOPMENT DISTRICT

6A

**WILLOWS
COMMUNITY DEVELOPMENT DISTRICT
FINANCIAL STATEMENTS
UNAUDITED
JULY 31, 2022**

**WILLOWS
COMMUNITY DEVELOPMENT DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JULY 31, 2022**

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash	\$ 64,749	\$ -	\$ -	\$ 64,749
Investments				
Revenue 2019	-	130,125	-	130,125
Reserve 2019	-	658,865	-	658,865
Construction 2019	-	-	568	568
Cost of issuance	-	39	-	39
Due from Developer	17,738	-	-	17,738
Total assets	<u>\$ 82,487</u>	<u>\$ 789,029</u>	<u>\$ 568</u>	<u>\$ 872,084</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Due to Developer	\$ 17,468	\$ -	\$ -	\$ 17,468
Developer advance	3,083	-	-	3,083
Total liabilities	<u>20,551</u>	<u>-</u>	<u>-</u>	<u>20,551</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred receipts	17,738	-	-	17,738
Total deferred inflows of resources	<u>17,738</u>	<u>-</u>	<u>-</u>	<u>17,738</u>
Fund balances:				
Restricted for:				
Debt service	-	789,029	-	789,029
Capital projects	-	-	568	568
Committed:				
Working capital	12,500	-	-	12,500
Unassigned	31,698	-	-	31,698
Total fund balances	<u>44,198</u>	<u>789,029</u>	<u>568</u>	<u>833,795</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 82,487</u>	<u>\$ 789,029</u>	<u>\$ 568</u>	<u>\$ 872,084</u>

WILLOWS
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDED JULY 31, 2022

	Current Month	Year to Date	Budget	% of Budget
REVENUES				
Assessment levy: on-roll	\$ -	\$ 24,463	\$ 24,455	100%
Assessment levy: off-roll	-	53,214	70,952	75%
Total revenues	<u>-</u>	<u>77,677</u>	<u>95,407</u>	81%
EXPENDITURES				
Professional & administrative				
Management/accounting/recording	3,750	37,500	45,000	83%
DSF accounting/assessment collections	458	4,583	5,500	83%
Legal	112	2,863	15,000	19%
Engineering	-	-	2,500	0%
Engineering - stormwater reporting	2,025	2,025	-	N/A
Audit	2,500	5,500	6,200	89%
Arbitrage rebate calculation	-	-	750	0%
Dissemination agent	83	833	1,000	83%
Trustee	-	4,031	5,500	73%
Telephone	17	167	200	84%
Postage	9	60	500	12%
Printing & binding	42	417	500	83%
Legal advertising	-	140	1,500	9%
Annual special district fee	-	175	175	100%
Insurance	-	5,175	5,500	94%
Contingencies/bank charges	12	107	500	21%
Website				
Hosting & maintenance	-	705	705	100%
ADA compliance	-	-	210	0%
Total professional & administrative	<u>9,008</u>	<u>64,281</u>	<u>91,240</u>	70%
Other fees & charges				
Property appraiser	-	-	382	0%
Tax collector	-	734	382	192%
Total other fees & charges	<u>-</u>	<u>734</u>	<u>764</u>	96%
Total expenditures	<u>9,008</u>	<u>65,015</u>	<u>92,004</u>	71%
Excess/(deficiency) of revenues over/(under) expenditures	(9,008)	12,662	3,403	
Fund balances - beginning	53,206	31,536	14,997	
Fund balances - ending				
Committed:				
Working capital	12,500	12,500	12,500	
Unassigned	31,698	31,698	5,900	
Fund balances - ending	<u>\$ 44,198</u>	<u>\$ 44,198</u>	<u>\$ 18,400</u>	

**WILLOWS
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND SERIES 2019
FOR THE PERIOD ENDED JULY 31, 2022**

	Current Month	Year To Date	Budget	% of Budget
REVENUES				
Assessment levy: on-roll	\$ -	\$ 339,575	\$ 339,621	100%
Assessment levy: off-roll	-	206,610	329,008	63%
Interest	431	658	-	N/A
Total revenues	<u>431</u>	<u>546,843</u>	<u>668,629</u>	82%
EXPENDITURES				
Debt service				
Principal	-	165,000	165,000	100%
Interest	-	495,333	495,333	100%
Total debt service	<u>-</u>	<u>660,333</u>	<u>660,333</u>	100%
Other fees & charges				
Property appraiser	-	-	5,307	0%
Tax collector	-	10,189	5,307	192%
Total other fees and charges	<u>-</u>	<u>10,189</u>	<u>10,614</u>	96%
Total expenditures	<u>-</u>	<u>670,522</u>	<u>670,947</u>	100%
Excess/(deficiency) of revenues over/(under) expenditures	431	(123,679)	(2,318)	
OTHER FINANCING SOURCES/(USES)				
Transfer out	<u>(359)</u>	<u>(551)</u>	<u>-</u>	N/A
Total other financing sources	<u>(359)</u>	<u>(551)</u>	<u>-</u>	N/A
Net change in fund balances	72	(124,230)	(2,318)	
Fund balances - beginning	788,957	913,259	923,398	
Fund balances - ending	<u>\$ 789,029</u>	<u>\$ 789,029</u>	<u>\$ 921,080</u>	

**WILLOWS
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUND SERIES 2019
FOR THE PERIOD ENDED JULY 31, 2022**

	<u>Current Month</u>	<u>Year To Date</u>
REVENUES	<u>\$ -</u>	<u>\$ -</u>
Total revenues	<u>-</u>	<u>-</u>
EXPENDITURES	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>
Excess/(deficiency) of revenues over/(under) expenditures	-	-
OTHER FINANCING SOURCES/(USES)		
Transfer in	359	551
Total other financing sources/(uses)	<u>359</u>	<u>551</u>
Net change in fund balances	359	551
Fund balances - beginning	209	17
Fund balances - ending	<u>\$ 568</u>	<u>\$ 568</u>

WILLOWS

COMMUNITY DEVELOPMENT DISTRICT

6B

DRAFT

**MINUTES OF MEETING
WILLOWS
COMMUNITY DEVELOPMENT DISTRICT**

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The Board of Supervisors of the Willows Community Development District held Multiple Public Hearings and a Regular Meeting on August 5, 2022 at 11:00 a.m., at the office of ZNS Engineering, 1023 Manatee Avenue W, Bradenton, Florida 34208 (7th Floor).

Present were:

Ryan Zook	Chair
Hal Lutz	Assistant Secretary
Greg Mundell	Assistant Secretary

Also present were:

Daniel Rom	District Manager
Tucker Mackie (via telephone)	District Counsel
Brian Janek	D.R. Horton

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Mr. Rom called the meeting to order at 11:25 a.m.

Supervisors Zook, Lutz and Mundell were present, in person. Supervisors Snyder and Mize were not present.

SECOND ORDER OF BUSINESS

Public Comments

There were no public comments.

THIRD ORDER OF BUSINESS

**Acceptance of Resignation of Supervisor
Anne Mize, SEAT 2 (Term Expires
November 2022)**

Mr. Rom presented Ms. Anne Mize’s resignation.

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On MOTION by Mr. Zook and seconded by Mr. Lutz, with all in favor, the resignation of Ms. Anne Mize from Seat 2, was accepted.

FOURTH ORDER OF BUSINESS

Consider Appointment to Fill Unexpired Term of Seat 2

Mr. Zook nominated Mr. Brian Janek to fill Seat 2. No other nominations were made.

On MOTION by Mr. Lutz and seconded by Mr. Zook, with all in favor, appointment of Mr. Brian Janek to fill Seat 2, was approved.

- **Administration of Oath of Office to Newly Appointed Supervisor *(the following to be provided in separate package)***

Mr. Rom, a Notary of the State of Florida and duly authorized, administered the Oath of Office to Mr. Janek. He provided and explained the following items:

- A. Guide to Sunshine Amendment and Code of Ethics for Public Officers and Employees**
- B. Membership, Obligations and Responsibilities**
- C. Chapter 190, Florida Statutes**
- D. Financial Disclosure Forms**
 - I. Form 1: Statement of Financial Interests**
 - II. Form 1X: Amendment to Form 1, Statement of Financial Interests**
 - III. Form 1F: Final Statement of Financial Interests**
- E. Form 8B: Memorandum of Voting Conflict**

FIFTH ORDER OF BUSINESS

Acceptance of Resignation of Supervisor John Snyder, SEAT 3 *(Term Expires November 2022)*

Mr. Rom presented Mr. John Snyder’s resignation.

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On MOTION by Mr. Zook and seconded by Mr. Lutz, with all in favor, the resignation of Mr. John Snyder from Seat 3, was accepted.

SIXTH ORDER OF BUSINESS

Consider Appointment to Fill Unexpired Term of Seat 3

Mr. Lutz nominated Mr. Nicolas Aparicio to fill Seat 3. No other nominations were made.

On MOTION by Mr. Zook and seconded by Mr. Lutz, with all in favor, appointment of Mr. Nicolas Aparicio to fill Seat 3, was approved.

- **Administration of Oath of Office to Newly Appointed Supervisor (*the following to be provided in separate package*)**

As Mr. Aparicio was not present, the Oath of Office will be administered at another time.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2022-06, Designating Certain Officers of the District, and Providing for an Effective Date

Mr. Rom presented Resolution 2022-06. Mr. Zook nominated the following slate of officers:

Chair	Ryan Zook
Vice Chair	Nicolas Aparicio
Secretary	Craig Wrathell
Assistant Secretary	Hal Lutz
Assistant Secretary	Greg Mundell
Assistant Secretary	Brian Janek
Assistant Secretary	Daniel Rom

No other nominations were made. Prior appointments by the Board for Treasurer and Assistant Treasurer remain unaffected by this Resolution.

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On MOTION by Mr. Lutz and seconded by Mr. Zook, with all in favor, Resolution 2022-06, Designating Certain Officers of the District, as nominated, and Providing for an Effective Date.

EIGHTH ORDER OF BUSINESS

Public Hearing on Adoption of Fiscal Year 2022/2023 Budget

A. Proof/Affidavit of Publication

The affidavit of publication was included for informational purposes.

B. Consideration of Resolution 2022-07, Relating to the Annual Appropriations and Adopting the Budget for the Fiscal Year Beginning October 1, 2022 and Ending September 30, 2023; Authorizing Budget Amendments; and Providing an Effective Date

Mr. Rom reviewed the proposed Fiscal Year 2023 budget and noted the following changes since the last meeting:

Page 1, "Management/accounting/recording" fee: Increased from \$45,000 to \$45,900

Page 1, "DSF accounting/assessment collections": Decreased from \$6,875 to \$5,500

Page 1, "Arbitrage rebate calculation": Increased from \$750 to \$1,000

Page 1, "Property appraiser & tax collector": Increased from \$886 to \$1,760

Mr. Rom stated that the Fiscal Year 2023 on-roll and off-roll assessments will increase approximately \$20 per unit, compared to the Fiscal Year 2022 assessments.

On MOTION by Mr. Zook and seconded by Mr. Lutz, with all in favor, the Public Hearing was opened.

No members of the public spoke.

On MOTION by Mr. Zook and seconded by Mr. Lutz, with all in favor, the Public Hearing was closed.

139 Mr. Rom presented Resolution 2022-07 and read the title.

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141 **On MOTION by Mr. Zook and seconded by Mr. Lutz, with all in favor,**
142 **Resolution 2022-07, Relating to the Annual Appropriations and Adopting the**
143 **Budget for the Fiscal Year Beginning October 1, 2022 and Ending September 30,**
144 **2023; Authorizing Budget Amendments; and Providing an Effective Date, was**
145 **adopted.**

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149 **NINTH ORDER OF BUSINESS**

Public Hearing to Hear Comments and
Objections on the Imposition of Operation
and Maintenance Special Assessments to
Fund the Budget for Fiscal Year 2022/2023,
Pursuant to Florida Law

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155 **A. Proof/Affidavit of Publication**

156 **B. Mailed Notice to Property Owners**

157 **C. Consideration of Resolution 2022-08, Making a Determination of Benefit and Imposing**
158 **Special Assessments for Fiscal Year 2022/2023; Providing for the Collection and**
159 **Enforcement of Special Assessments, Including, but Not Limited to Penalties and**
160 **Interest Thereon; Certifying an Assessment Roll; Providing for Amendments to the**
161 **Assessment Roll; Providing a Severability Clause; and Providing an Effective Date**

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163 **On MOTION by Mr. Zook and seconded by Mr. Mundell, with all in favor, the**
164 **Public Hearing was opened.**

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167 No members of the public spoke.

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169 **On MOTION by Mr. Zook and seconded by Mr. Mundell, with all in favor, the**
170 **Public Hearing was closed.**

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173 Mr. Rom presented Resolution 2022-08 and read the title.

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On MOTION by Mr. Zook and seconded by Mr. Lutz, with all in favor, Resolution 2022-08, Making a Determination of Benefit and Imposing Special Assessments for Fiscal Year 2022/2023; Providing for the Collection and Enforcement of Special Assessments, Including, but Not Limited to Penalties and Interest Thereon; Certifying an Assessment Roll; Providing for Amendments to the Assessment Roll; Providing a Severability Clause; and Providing an Effective Date, was adopted.

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TENTH ORDER OF BUSINESS

Ratification of Work Authorization Number 4

Mr. Rom presented ZNS Engineering, L.C., Work Authorization Number 4.

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On MOTION by Mr. Lutz and seconded by Mr. Mundell, with all in favor, ZNS Engineering, L.C., Work Authorization Number 4, to prepare a Supplemental Engineer’s Report with cost estimate, in a not-to-exceed amount of \$3,500, was ratified.

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ELEVENTH ORDER OF BUSINESS

Consideration of Nabors, Giblin & Nickerson, P.A., Bond Counsel Agreement

Mr. Rom presented the Nabors, Giblin & Nickerson, P.A., Bond Counsel Agreement.

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On MOTION by Mr. Lutz and seconded by Mr. Zook, with all in favor, the Nabors, Giblin & Nickerson, P.A., Bond Counsel Agreement, was approved.

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TWELFTH ORDER OF BUSINESS

Consideration of FMSbonds, Inc., Rule G-17 Disclosure

Mr. Rom presented the FMSbonds, Inc., Rule G-17 Disclosure.

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On MOTION by Mr. Zook and seconded by Mr. Lutz, with all in favor, the FMSbonds, Inc., Rule G-17 Disclosure, was approved.

213 **THIRTEENTH ORDER OF BUSINESS** **Presentation of Audited Financial Report**
 214 **for Fiscal Year Ended September 30, 2021,**
 215 **Prepared by Grau and Associates**
 216

217 Mr. Rom presented the Audited Financial Report for the Fiscal Year Ended September
 218 30, 2021. There were no findings, deficiencies, irregularities or instances of noncompliance; it
 219 was a clean audit.

220
 221 **FOURTEENTH ORDER OF BUSINESS** **Consideration of Resolution 2022-09,**
 222 **Accepting the Audited Financial Report for**
 223 **the Fiscal Year Ended September 30, 2021**
 224

225 Mr. Rom presented Resolution 2022-09.
 226

227 **On MOTION by Mr. Zook and seconded by Mr. Lutz, with all in favor,**
 228 **Resolution 2022-09, Accepting the Audited Financial Report for the Fiscal Year**
 229 **Ended September 30, 2021, was adopted.**

230
 231
 232 **FIFTEENTH ORDER OF BUSINESS** **Ratification of 20-Year Stormwater**
 233 **Management Need Analysis Report**
 234

235 Mr. Rom presented the Stormwater Management Need Analysis Report, which was
 236 submitted by the June 30, 2022, as required.

238 **On MOTION by Mr. Zook and seconded by Mr. Lutz, with all in favor, the 20-**
 239 **Year Stormwater Management Need Analysis Report, was ratified.**

240
 241
 242 **SIXTEENTH ORDER OF BUSINESS** **Ratification of SFTEN, LLC, Special**
 243 **Warranty Deed (Recorded)**
 244

245 Mr. Rom presented the SFTEN, LLC, Special Warranty Deed, which was recorded.
 246

247 **On MOTION by Mr. Zook and seconded by Mr. Lutz, with all in favor, the**
 248 **recorded SFTEN, LLC, Special Warranty Deed, was ratified.**

249

250 **SEVENTEENTH ORDER OF BUSINESS** **Ratification of Consent and Joinder to**
 251 **Second Supplement to the Declaration of**
 252 **Covenants, Conditions and Restrictions of**
 253 **Silverstone North**
 254

255 Mr. Rom presented the Consent and Joinder to Second Supplement to the Declaration
 256 of Covenants, Conditions and Restrictions of Silverstone North.

257

258 **On MOTION by Mr. Zook and seconded by Mr. Lutz, with all in favor, the**
 259 **Consent and Joinder to Second Supplement to the Declaration of Covenants,**
 260 **Conditions and Restrictions of Silverstone North, was ratified.**

261

262

263 **EIGHTEENTH ORDER OF BUSINESS** **CONSENT AGENDA ITEMS**

264

265 Mr. Rom presented the following:

266 **A. Acceptance of Unaudited Financial Statements as of June 30, 2022**

267 **B. Approval of May 6, 2022 Regular Meeting Minutes**

268

269 **On MOTION by Mr. Zook and seconded by Mr. Lutz, with all in favor, the**
 270 **Consent Agenda Items, as presented, were accepted and approved.**

271

272

273 **NINETEENTH ORDER OF BUSINESS** **Staff Reports**

274

275 **A. District Counsel: *Kutak Rock LLP***

276 There was no report.

277 **B. District Engineer: *ZNS Engineering, L.C.***

278 There was no report.

279 **C. District Manager: *Wrathell, Hunt and Associates, LLC***

280 • **NEXT MEETING: September 2, 2022 at 11:00 a.m.**

281 ○ **QUORUM CHECK**

282 The next meeting will be on August 26, 2022, rather than on September 2, 2022.

283

284 **TWENTIETH ORDER OF BUSINESS** **Board Members' Comments/Requests**

285

286 There were no Board Members' comments or requests.

287

288 **TWENTY-FIRST ORDER OF BUSINESS Public Comments**

289

290 There were no public comments.

291

292 **TWENTY-SECOND ORDER OF BUSINESS Adjournment**

293

294

295 **On MOTION by Mr. Zook and seconded by Mr. Lutz, with all in favor, the**
296 **meeting adjourned at 11:34 a.m.**

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[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

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Secretary/Assistant Secretary

Chair/Vice Chair

WILLOWS
COMMUNITY DEVELOPMENT DISTRICT

7C

WILLOWS COMMUNITY DEVELOPMENT DISTRICT

BOARD OF SUPERVISORS FISCAL YEAR 2022/2023 MEETING SCHEDULE

LOCATION

offices of ZNS Engineering, 1023 Manatee Avenue W., Bradenton, Florida 34205 (7th Floor)

DATE	POTENTIAL DISCUSSION/FOCUS	TIME
October 7, 2022	Regular Meeting	11:00 AM
November 1, 2022	Landowners' Meeting	11:00 AM
November 4, 2022	Regular Meeting	11:00 AM
December 2, 2022	Regular Meeting	11:00 AM
January 6, 2023	Regular Meeting	11:00 AM
February 3, 2023	Regular Meeting	11:00 AM
March 3, 2023	Regular Meeting	11:00 AM
April 7, 2023	Regular Meeting	11:00 AM
May 5, 2023	Regular Meeting	11:00 AM
June 2, 2023	Regular Meeting	11:00 AM
July 7, 2023	Regular Meeting	11:00 AM
August 4, 2023	Public Hearing & Regular Meeting	11:00 AM
September 1, 2023	Regular Meeting	11:00 AM