

*Windward
Community Development District*

Agenda

September 16, 2020

AGENDA

Windward

Community Development District

219 East Livingston Street, Orlando, FL 32801

Phone: 407-841-5524 – Fax: 407-839-1526

September 9, 2020

Board of Supervisors
Windward
Community Development District

Dear Board Members:

The regular meeting of the Board of Supervisors of the Windward Community Development District will be held **Wednesday, September 16, 2020 at 2:00 p.m.** by the following means of communications media technology **via Zoom; by following this link <https://zoom.us/j/93710543342> or by calling in via (646) 876-9923 and entering the Meeting ID: 937 1054 3342.** Following is the agenda for the meeting:

- I. Roll Call
- II. Public Comment Period
- III. Approval of Minutes of August 19, 2020 Meeting
- IV. Consideration of Agreement with Grau & Associates to Providing Auditing Services for Fiscal Year 2020
- V. Financing Matters
 - A. Consideration of Supplemental Engineer's Report
 - B. Consideration of Supplemental Assessment Methodology
 - C. Consideration of Resolution 2020-11 Delegation Resolution
 - D. Consideration of Amended and Restated Acquisition Agreement
- VI. Staff Reports
 - A. Attorney
 - B. Engineer
 - C. District Manager
 - i. Approval of Check Register
 - ii. Balance Sheet and Income Statement
- VII. Other Business
- VIII. Supervisors' Requests
- IX. Adjournment

The second order of business of the Board of Supervisors meeting is the Public Comment Period where the public has an opportunity to be heard on propositions coming before the Board as reflected on the agenda, and any other items.

The third order of business is approval of the minutes of the August 19, 2020 Board of Supervisors meeting. The minutes are enclosed for your review.

The fourth order of business is consideration of agreement with Grau & Associates to Provide Auditing Services for Fiscal Year 2020. A copy of the agreement is enclosed for your review.

The fifth order of business is financing matters. Section A is consideration of supplemental engineers report. Section B is consideration of supplemental assessment methodology. Section C is consideration of resolution 2020-11 delegation resolution. Section D is consideration of amended and restated acquisition agreement.

Section C of the sixth order of business is the District Manager's Report and Section 1 includes the check register being submitted for approval and section 2 includes the balance sheet and income statement for your review.

The balance of the agenda will be discussed at the meeting. In the meantime, if you have any questions, please contact me.

Sincerely,



Jason Showe
District Manager

Cc: Jan Carpenter, District Counsel
Brett Sealy, Underwriter
Mike Williams, Bond Counsel
David Kelly, District Engineer
Darrin Mossing, GMS

Enclosures

MINUTES

MINUTES OF MEETING
WINDWARD
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Windward Community Development District was held Wednesday, August 19, 2020 at 2:00 p.m. via Zoom Video Conferencing, pursuant to Executive Orders 20-52, 20-69, 20-112, 20-150 and 20-179 issued by Governor DeSantis on March 9, 2020, March 20, 2020, April 29, 2020, June 23, 2020 and July 30, 2020 respectively, and any extensions or supplements thereof, and pursuant to Section 120.54(5)(b)2., *Florida Statutes*.

Present and constituting a quorum were:

John Kassik	Chairperson
Jimmy Clark	Vice Chairman
Thomas Franklin	Assistant Secretary
Marvin Morris	Assistant Secretary

Also present were:

Jason Showe	District Manager
Kristen Trucco	District Counsel
David Kelly	District Engineer
Justin Rowan	MBS Capital Markets
William Viasalyers	Field Manager

FIRST ORDER OF BUSINESS

Roll Call

Mr. Showe called the meeting to order and called the roll.

SECOND ORDER OF BUSINESS

Public Comment

There being none, the next item followed.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the July 15, 2020 Meeting

On MOTION by Mr. Morris seconded by Mr. Kassik with all in favor the minutes of the July 15, 2020 meeting were approved as presented.

FOURTH ORDER OF BUSINESS

Public Hearing

On MOTION by Mr. Morris seconded by Mr. Kassik with all in favor the public hearing was opened.

Mr. Morris asked if any notification sent to the homeowners about the public hearing?

Mr. Showe responded everything was placed on our website in accordance with Florida Statutes, there was no mailed notice requirement this year because there was no assessment increase. We put a notice in the paper that we were having a public hearing on the budget.

Mr. Morris stated I notice that item B is a resolution imposing a special assessment. Mr. Showe stated that is the second part of the budget process, that is the actual mechanism that levies the assessments. Those assessments are based on the budget as adopted. There is no increase in assessments, it is the same as it was last year.

A. Consideration of Resolution 2020-09 Adopting the Fiscal Year 2021 Budget and Relating to the Annual Appropriations

Mr. Showe gave an overview of the proposed Fiscal Year 2021 budget and stated later in the agenda we will ask for approval of a deficit funding agreement and that is typical of Districts like this that is currently in development so if development moves faster than we anticipated in the budget the developer agrees they will fund that deficit until the next budget cycle.

Mr. Morris asked when does the deficit funding agreement end? Does it go away at a point when KHov is no longer part of the equation?

Mr. Showe stated at that point there would not be a deficit funding agreement, you would seek to get all your funds through the operation and maintenance assessment on the roll, but you would typically be fully developed so you would know exactly how much you need to run the District for a year. Because the District is currently developing there may be new responsibilities that we have not anticipated in the budget.

Mr. Morris asked as that point is there money that is left over from KHov that would go into our accounts or do we start with a zero balance?

Mr. Showe stated typically you start with a zero balance. In future years you may want to consider those points and the residents will likely want to have a capital reserve and you may need to increase your assessments to fund that.

Mr. Morris stated as we get closer to turnover that is something we are going to have put in.

Mr. Showe stated as District Manager, William and I are looking at your budget in terms of levels of service and what we would expect, and we will make those recommendations at the appropriate time.

I will note again there are no members of the public on the call to provide comment.

Resolution 2020-09 adopts the budget, which will be attached to the resolution as an exhibit.

On MOTION by Mr. Kassik seconded by Mr. Clark with all in favor Resolution 2020-09 Adopting the Fiscal Year 2021 Budget and Relating to the Annual Appropriations, was approved.

B. Consideration of Resolution 2020-10 Imposing Special Assessments and Certifying an Assessment Roll

Mr. Showe stated the next resolution imposes the special assessments and certifies an assessment roll. Attached to the resolution will be the adopted budget and the assessment roll.

On MOTION by Mr. Clark seconded by Mr. Kassik with all in favor Resolution 2020-10 Imposing Special Assessments and Certifying an Assessment Roll, was approved.

On MOTION by Mr. Clark seconded by Mr. Morris with all in favor the public hearing was closed.

FIFTH ORDER OF BUSINESS

Consideration of Fiscal Year 2021 Deficit Funding Agreement

Mr. Showe stated next is the deficit funding agreement for the general fund, which is in the same form as in past years. This will be utilized in case the funds in the budget are not sufficient to cover the operational expenses of the District. It will typically be triggered if there are additional maintenance responsibilities that were not contemplated in the budget.

On MOTION by Mr. Morris seconded by Mr. Kassik with all in favor the Fiscal Year 2021 deficit funding agreement with K. Hovnanian at Mystic Dunes, LLC was approved.

SIXTH ORDER OF BUSINESS**Consideration of Supplement to Investment Banking Agreement with MBS Capital Markets, LLC**

Mr. Showe stated next is a supplement to the investment banking agreement with MBS Capital Markets. This is to provide an agreement for purposes of the 2020 bonds.

Mr. Rowan stated we have served as the investment banker for the District for the original bond issuance in 2018 and pursuant to the regulatory agencies we need to have a new investment banking agreement executed for each individual bond issuance. This agreement is the same in form as the one executed in 2017 for the 2018 bonds. Our fee associated with the services outlined in the agreement is 2% of the principal amount of bonds issued and we are only compensated if and when bonds are issued. To the extent we move down the road to issue bonds and if for some reason the District changed its mind or we were unable to complete the transaction we would not get paid and the District would not undergo any expenses related to our efforts.

On MOTION by Mr. Clark seconded by Mr. Kassik with all in favor the supplemental investment banking agreement with MBS Capital Markets, LLC was approved.

SEVENTH ORDER OF BUSINESS**Discussion of Landscape Maintenance**

This item taken under the Field Manager's report.

EIGHTH ORDER OF BUSINESS**Discussion of Expansion Bond Documents**

Mr. Rowan stated the Board doesn't need to take any action on these documents other than to approve them in substantial form. We will continue to tweak these, there will be another opportunity at the next Board meeting to address any of the Board's questions as well incorporate additional comments by staff. As it relates to the next bond issuance, we and staff are moving full speed ahead with the goal to be in a position to issue the final series of bonds for the District prior to November and market condition will determine if we should issue bonds then or delay it. The supplemental engineer's report and supplemental assessment methodology basically describe the remaining costs of the capital improvement plan that were not financed as part of the original project in 2018 as well as incorporate the units and costs associated with the expansion parcel, which is Phase 4, Tracts F&G. District Counsel is in the process or has already filed a petition to

bring those lands into the District and once that is complete those lands will go through another assessment process whereby those lands will be assessed for both capital improvements as well as O&M.

Mr. Franklin joined the meeting during this item.

On MOTION by Mr. Franklin seconded by Mr. Kassik with all in favor the bond documents were approved in substantial form.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Trucco stated we are moving forward with the expansion petition, we are nearly done with it, the cost has changed slightly so the exhibits to the petition need to be revised. We don't anticipate that taking much longer than a week or so and we will continue to keep the Board apprised of our progress.

B. Engineer

Mr. Kelly stated the only update other than the submission of the supplemental report is that construction is ongoing in the next phase in the expansion area. It is being funded by the developer at this time.

Mr. Morris stated we talked a few months ago about in the next phase, which is under construction now, that we would like to have a dog park there. Is there any consideration for that?

Mr. Kelly stated we are looking into that; we have a site picked out where we have the availability to do that in Phase 3C.

D. Manager

i. Approval of Check Register

On MOTION by Mr. Franklin seconded by Mr. Kassik with all in favor the check register was approved.

ii. Balance Sheet and Income Statement

A copy of the balance sheet and income statement were included in the agenda package.

iii. Approval of Fiscal Year 2021 Meeting Schedule

On MOTION by Mr. Kassik seconded by Mr. Clark with all in favor the Fiscal Year 2021 meeting schedule was approved reflecting meetings on the third Wednesday of the month and the new location of meeting in the clubhouse.

iv. Field Operations

Mr. Viasalyers stated staff has been working with KHov, the HOA and CDD owned areas for replacement of turf, that project is still ongoing. I believe all the HOA items have been addressed and the CDD areas are still being worked on and they should have the sod completed pretty soon.

At the direction of KHov staff I worked to get a proposal for additional items, we have dead trees, some trees that are leaning and some planting material that has died out and we want to get it replaced. The Sylvester Palm for \$6,000 doesn't need to be approved we can scale it down and approve the other items if the Board is okay with that. That Sylvester Palm is a dead palm located by the lift station near the model home area, but if we were to flush cut it and put some sod down nobody would miss it. The other items are a bunch of leaning palms, oak trees and dead plant material that we would like to get replaced to help enhance the area.

Mr. Franklin stated you want a determination on the palm?

Mr. Viasalyers stated it is a \$6,000 item and there is no guarantee that if you plant it there it won't have issues down the road again.

Mr. Franklin asked are the soil conditions not very good there?

Mr. Viasalyers stated soil there is kind of sandy, but these palms sometimes get disease and there is nothing you can do about it.

Mr. Showe stated there are funds available in the landscape contingency line. We would ask that the Board approve a not to exceed amount of \$10,000, which will let them cut that Sylvester Palm down opposed to replacing it and William can work with the vendor on the appropriate timing.

On MOTION by Mr. Clark seconded by Mr. Morris with all in favor the landscape replacements were approved in an amount not to exceed \$10,000.

Mr. Viasalyers stated in discussion with KHov and the HOA we talked about potentially going out for landscape bids. I know we are under the threshold of having to do an RFP but I have been working with James and he was trying to solicit a potential candidate for the property because we have had several ongoing issues with a lot of the detail work and things like that, that seem to keep falling behind with Down to Earth.

Mr. Showe stated we anticipate bringing something back to the Board at a future meeting.

Mr. Viasalyers stated as you head towards the back gate on Four Seasons Boulevard we had an issue where a couple pieces of sidewalk collapsed, we put out some caution tape and are working on getting prices to get that repaired.

Mr. Morris stated I believe you are aware that we had a cement truck hit the roof of the entranceway to the complex.

Mr. Viasalyers stated yes. That is something we are working with the vendor that hit that, they are going to incur that cost and we are working on getting them a proposal. We are waiting on some feedback from the vendor who did the damage.

Mr. Showe stated we don't anticipate that the District will incur that expense we are going to have the vendor or their insurance company cover that cost.

TENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

ELEVENTH ORDER OF BUSINESS

Supervisor's Requests

Mr. Morris stated I'm a little concerned that the homeowners do not really know too much of what goes on here. I don't have a list of emails for everybody who lives here. Do you have that?

Mr. Showe responded no, typically CDDs do not keep email lists because we are a public entity and someone could request and get that list from us. We can work to put a little blurb together if you feel that is the appropriate way and we can get that to the HOA for them to distribute.

Mr. Morris stated I have asked the HOA and they turned me down. We have a Khov member on the Board now and perhaps she can pursue that.

Mr. Showe stated also, once we are able to have in-person meetings, having it at the clubhouse will help facilitate communication. Before the next meeting we will reach out to the HOA and see if they can distribute a notice of the next meeting and where they can get the agenda.

Mr. Morris stated I would like to see that happen.

Mr. Showe stated I will put that on my list and as soon as we start having in-person meetings we will get something out to the HOA. Mr. Morris stated I'm a little concerned that the homeowners do not really know too much of what goes on here.

TWELTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Franklin seconded by Mr. Clark with all in favor the meeting adjourned at 2:32 p.m.

Secretary/Assistant Secretary

Chairman/Vice Chairman

SECTION IV



Grau & Associates
CERTIFIED PUBLIC ACCOUNTANTS

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August 24, 2020

Board of Supervisors
Windward Community Development District
c/o GMS, LLC
219 E. Livingston Street
Orlando, FL 32801

We are pleased to confirm our understanding of the services we are to provide Windward Community Development District, Osceola, Florida ("the District") for the fiscal year ended September 30, 2020. We will audit the financial statements of the governmental activities and each major fund, including the related notes to the financial statements, which collectively comprise the basic financial statements of Windward Community Development District as of and for the fiscal year ended September 30, 2020. In addition, we will examine the District's compliance with the requirements of Section 218.415 Florida Statutes. This letter serves to renew our agreement and establish the terms and fee for the 2020 audit.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Budgetary comparison schedule

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the District and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the District's financial statements. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add emphasis-of-matter or other-matter paragraphs. If our opinion on the financial statements is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or issue a report, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards

and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Examination Objective

The objective of our examination is the expression of an opinion as to whether the District is in compliance with Florida Statute 218.415 in accordance with Rule 10.556(10) of the Auditor General of the State of Florida. Our examination will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and will include tests of your records and other procedures we consider necessary to enable us to express such an opinion. We will issue a written report upon completion of our examination of the District's compliance. The report will include a statement that the report is intended solely for the information and use of management, those charged with governance, and the Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add emphasis-of-matter or other-matter paragraphs. If our opinion on the District's compliance is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the examination or are unable to form or have not formed an opinion, we may decline to express an opinion or issue a report, or may withdraw from this engagement.

Other Services

We will assist in preparing the financial statements and related notes of the District in conformity with U.S. generally accepted accounting principles based on information provided by you. These non-audit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for the financial statements and all accompanying information as well as all representations contained therein. Further, management is responsible for compliance with Florida Statute 218.415 and will provide us with the information required for the examination. The accuracy and completeness of such information is also management's responsibility. As part of the audit, we will assist with preparation of your financial statements and related notes in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. In addition, you will be required to make certain representations regarding compliance with Florida Statute 218.415 in the management representation letter. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management is reliable and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. As part of our engagement, we may propose standard adjusting, or correcting journal entries to your financial statements. You are responsible for reviewing the entries and understanding the nature of the proposed entries and the impact they have on the financial statements.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you

are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Grau & Associates and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a cognizant or oversight agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Grau & Associates personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies. Notwithstanding the foregoing, the parties acknowledge that various documents reviewed or produced during the conduct of the audit may be public records under Florida law. The District agrees to notify Grau & Associates of any public record request it receives that involves audit documentation.

Furthermore, Grau & Associates agrees to comply with all applicable provisions of Florida law in handling such records, including but not limited to Section 119.0701, Florida Statutes. Auditor acknowledges that the designated public records custodian for the District is the District Manager ("Public Records Custodian"). Among other requirements and to the extent applicable by law, Grau & Associates shall 1) keep and maintain public records required by the District to perform the service; 2) upon request by the Public Records Custodian, provide the District with the requested public records or allow the records to be inspected or copied within a reasonable time period at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes; 3) ensure that public records which are exempt or confidential, and exempt from public records disclosure requirements, are not disclosed except as authorized by law for the duration of the contract term and following the contract term if Auditor does not transfer the records to the Public Records Custodian of the District; and 4) upon completion of the contract, transfer to the District, at no cost, all public records in Grau & Associate's possession or, alternatively, keep, maintain and meet all applicable requirements for retaining public records pursuant to Florida laws. When such public records are transferred by Grau & Associates, Grau & Associates shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the District in a format that is compatible with Microsoft Word or Adobe PDF formats.

IF GRAU & ASSOCIATES HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO ITS DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE PUBLIC RECORDS CUSTODIAN.

Our fee for these services will not exceed \$4,200 for the September 30, 2020 audit unless there is a change in activity by the District which results in additional audit work or if additional Bonds are issued.

We will complete the audit within prescribed statutory deadlines, which requires the District to submit its annual audit to the Auditor General no later than nine (9) months after the end of the audited fiscal year, with the understanding that your employees will provide information needed to perform the audit on a timely basis.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. Invoices will be submitted in sufficient detail to demonstrate compliance with the terms of this agreement. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate.

The District may terminate this agreement, with or without consent, upon thirty (30) days written notice of termination to Grau & Associates. Upon any termination of this agreement, Grau & Associates shall be entitled to payment of all work and/or services rendered up until the date of the notice of termination subject to any offsets the District may have against Grau & Associates.

We will provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2019 peer review report accompanies this letter.

We appreciate the opportunity to be of service to Windward Community Development District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Grau & Associates



Antonio J. Grau

RESPONSE:

This letter correctly sets forth the understanding of Windward Community Development District.

By: _____

Title: _____

Date: _____



FICPA Peer Review Program
Administered in Florida
by The Florida Institute of CPAs



AICPA

**Peer Review
Program**

AICPA Peer Review Program
Administered in Florida
by the Florida Institute of CPAs

February 20, 2020

Antonio Grau
Grau & Associates
951 Yamato Rd Ste 280
Boca Raton, FL 33431-1809

Dear Antonio Grau:

It is my pleasure to notify you that on February 20, 2020, the Florida Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is December 31, 2022. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation.

Sincerely,

FICPA Peer Review Committee

Peer Review Team
FICPA Peer Review Committee
paul@ficpa.org
800-342-3197 ext. 251

Florida Institute of CPAs

cc: Daniel Hevia, Racquel McIntosh

Firm Number: 900004390114

Review Number: 571202

SECTION V

SECTION A

Windward Community Development District

SECOND SUPPLEMENTAL ENGINEER'S REPORT

(2020 PROJECT)

Prepared For

Windward Community Development District

Date

September 1, 2020

POULOS & BENNETT

2602 East Livingston Street | Orlando, Florida 32803 | Tel: 407.487.2594 | www.poulosandbennett.com
FBPE Certificate of Authorization No. 28567

Windward

Community Development District

SECOND SUPPLEMENTAL ENGINEER'S REPORT
(2020 PROJECT)

Osceola County, Florida

Prepared For:

Windward Community Development District

Date:

August 17, 2020



2602 East Livingston Street | Orlando, Florida 32803 | Tel: 407.487.2594 | Fax: 407.487.2594 | www.poulosandbennett.com
FBPE Certificate of Authorization No. 28567

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Windward Community Development District
Second Supplemental Engineer's Report (2020 Project)

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<i>Exhibit 8</i>	<i>Post-Development Basin Map</i>
<i>Exhibit 9</i>	<i>FEMA 100-Year Floodplain</i>
<i>Exhibit 10</i>	<i>Potable Water Distribution System Map</i>
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Windward Community Development District Second Supplemental Engineer's Report (2020 Project)

Section 1 Introduction

1.1. Background

The District Engineer's Report for Capital Improvements (the "Master Engineer's Report"), dated April 27, 2017, described the scope and estimated cost of the District's capital improvement program (the "CIP") serving the entire Windward Community Development District (the "District"). The CIP is estimated to cost approximately \$22.712 million and includes the onsite public roadways, stormwater management system, potable water distribution system, reclaimed water distribution system, off-site utility and roadway improvements, undergrounding of electrical and street lights, landscaping/hardscaping, ecological mitigation, professional fees and contingencies. The CIP was designed in multiple phases. The First Supplemental Engineer's Report (2018A Project), dated October 24, 2018 (the "First Supplemental Engineer's Report"), was prepared to assist with the financing and construction of a portion of the CIP serving Phases 1, 2, and 3A (planned to collectively include 270 residential units), as well as offsite improvements (the "2018A Project"). This Second Supplemental Engineer's Report (2020 Project) (the "Second Supplemental Engineer's Report"), is being prepared to assist with the financing and construction of the remaining CIP serving Phases 3B, 3C, 3D (collectively, "Phase 3") planned to include 197 residential units and Phases 4A and 4B (collectively, "Phase 4" or the "Expansion Area") planned to include 86 residential units (the "2020 Project"). The Expansion Area is currently outside of the District's boundaries, however the District has filed a petition with the County to amend its boundaries to include the Expansion Area. The remaining CIP serving Phase 3 and the Expansion Area is hereinafter referred to as the 2020 Project and described in more detail throughout this report. Cost estimates contained in this report have been prepared based on the best available information at this time. The actual costs of construction, final engineering design, planning, approvals and permitting may vary from the cost estimates presented.

1.2. Location and General Description

Original CDD Boundary:

The Four Seasons at Orlando property (the "Development") is part of the Mystic Dunes PD located within Section 15, Township 25 South, Range 27 East, Osceola County, Florida. The developer of the development is K. Hovnanian at Mystic Dunes, LLC (the "Developer"). The overall Mystic Dunes PD includes approximately 606 acres, which is subdivided into Parcels A, B, C, D, E, F, G, H, I, J, K, L, M, N, and O, together with Conservation Areas, an 18 hole golf course, roadways, Clubhouse, Recreation area, and Sales Center. The northern portion of the overall Mystic Dunes PD has been developed with Timeshare Resort units, and an 18 hole golf course has been constructed throughout the development. The Development is located east of SR 429, north of Sand Hill Road and west of Old Lake Wilson Road. (See Exhibits 1 and 2). Zoning for the Development was approved by Osceola County as revised on December 12, 2016.

The 2018A Project is a multiphase project (Phase 1, Phase 2, and phase 3A as well as offsite improvements) planned to include 270 single family homes on approximately 127.7 acres.

The 2020 Project is also a multiphase Project, Phases 3B, 3C and 3D consisting of 197 units and Phases 4A and 4B consisting of 86 units on approximately 32.7 acres. Please refer to the Windward CDD Master Site Plan Exhibit 7.

The current District boundary encompasses approximately 127.7 acres (see Exhibits 3 and 4).

Proposed Expansion Area:

Location and Size of the Land. The land within the District including the proposed Expansion Area is located entirely within the boundaries of unincorporated Osceola County, Florida (the "County") and is not

Windward Community Development District Second Supplemental Engineer's Report (2020 Project)

contiguous to any other county or municipality. Exhibit 1 attached hereto depicts the general location of the District within the County. The Expansion Area proposed to be added to the District, identified as the "CDD Boundary Expansion" on Exhibits 1, 4 and 14, is approximately 32.69 acres. The expanded boundary of the District will cover approximately 160.43 acres of land, more or less. The overall metes and bounds description of the proposed Expansion Area and a Parcel by Parcel Exhibit of the District are set forth in Exhibit 3.

1.3. District Purpose and Scope

The District was established for the purpose of financing, acquiring or constructing, maintaining and operating a portion of the public infrastructure necessary for community development within the District. The purpose of this report is to provide a description of the public infrastructure improvements to be financed by the District. The District will finance, acquire and/or, construct, operate, and maintain certain public infrastructure improvements that are needed to serve the District. A portion of the infrastructure improvements will be financed with the proceeds of bonds issued by the District.

The proposed public infrastructure improvements, as outlined herein, are necessary for the development of the District as required by the applicable independent unit of local government.

1.4. Description of Land Use

The lands within the District currently encompass approximately 127.7 acres. Based on the Mystic Dunes PD the development program for the property within the District allows for construction of 553 single family residential units. The approved land uses within the District include the following areas. Exhibits included herein provide detail on land use locations and the development program.

Proposed Development	Original CDD Boundary Approximate Acres	Expansion Area Approximate Acres
Private	80.1	9.3
Stormwater	7.4	4.7
Open Space	10.7	6.3
Roads & Utility Tracts	29.0	5.7
Conservation	0.7	7.0
Total Acres	128	33

Section 2 Government Actions

The following are the permitting agencies that will have jurisdiction for approval of construction within the District. To date, all permits for the development of the 2020 Project have been obtained.

Permitting Agencies & Permits Required

1. Osceola County

**Windward Community Development District
Second Supplemental Engineer's Report (2020 Project)**

- a. Preliminary Subdivision Plan
 - b. Mass Grading (optional)
 - c. Site Development Plan
 - d. Final Plat
2. South Florida Water Management District (SFWMD)
 - a. Environmental Resource Permit
 - i. Mass Grading/Master Stormwater Construction
 - ii. Final Engineering for Onsite Improvements
 - b. Water Use Permit (Dewatering)
 - i. Mass Grading/Master Storm
 - ii. Final Engineering for Onsite Improvements
3. Toho Water Authority (TWA)
 - a. Final Engineering Construction Plans –Water, Sewer, and Reclaimed Water Distribution Systems
4. Florida Department of Environmental Protection (FDEP)
 - a. Water Distribution System
 - b. Sanitary Sewer Collection and Transmission System
 - c. National Pollutant Discharge Elimination System (NPDES)
5. Army Corp of Engineers
6. Florida Fish and Wildlife Conservation Commission (FWC)

All permits have been obtained.

Section 3 Infrastructure Benefit

The District will fund, and in certain cases maintain and operate public infrastructure yielding two types of public benefits. These benefits include:

- Project wide public benefits
- Incidental public benefits

The project wide public benefits are provided by infrastructure improvements that serve all lands in the District. These public infrastructure improvements include construction of the master stormwater management system, the sanitary sewer, potable water, and reclaimed water mains, roadway network, offsite roadway and utility improvements, perimeter landscape and irrigation improvements within the District boundary. However some incidental public benefits include those benefits received by the general public who do not necessarily reside on land within the District.

The proposed capital improvements identified in this report are intended to provide specific benefit to the assessable real property within the boundaries of the District. As much of the property is currently undeveloped, the construction and maintenance of the proposed infrastructure improvements are necessary and will benefit the property for the intended use as a residential community. The District can construct, acquire, own, operate and/or maintain any or all, of the proposed infrastructure. The Developer or other party/parties will construct and fund the infrastructure outside of the District and/or not funded by the District.

Section 4A 2018A Project Status Update

Windward Community Development District Second Supplemental Engineer's Report (2020 Project)

The 2018A Project was described in the First Supplemental Engineer's Report and included elements internal and external to the District. The external elements include offsite improvements to adjacent Formosa Gardens Boulevard and offsite reuse water and sewer systems. The onsite infrastructure improvements included a portion of the master stormwater management and drainage systems, roadway improvements, pavement markings and street signage, potable water main, reclaimed water main and sewer infrastructure required to provide utility service to the District, landscaping, hardscaping and recreation areas. The 2018A Project has been completed.

The costs and funds expended are listed in Exhibit 15.

Section 4B 2020 Project

The 2020 Project consists of proposed onsite infrastructure improvements including the master stormwater management and drainage systems, roadway improvements, pavement markings and street signage, potable water main, reclaimed water main and sewer infrastructure required to provide utility service to the District, landscaping and hardscaping areas.

2020 Project Status Update:

Phases 3B & 4A are approximately 45% constructed as of end of August, consisting mainly of the spine road sanitary & drainage infrastructure and approximately one half of the reclaim and potable water systems. Both lift stations are nearly set.

Phases 3C, 3D & 4B are approximately 8% completed.

Descriptions of the proposed capital improvements are provided in the following sections and Exhibits 6, and 10 through 12. Exhibit 15 details the Cost Opinions for the 2020 Project.

Section 5 Description of Components of the 2020 Project

5.1 Roadway Improvements

As indicated above, the District will fund roadway construction internal to the District consisting of local roadways. Exhibit 6, Roadway Ownership Map, provides a graphical representation of the proposed improvements. All such local roadways will be open to the public.

5.2 Stormwater Management

As indicated above, the District will fund the construction of the master stormwater management system for the lands within the District. This system is made up of wet detention stormwater treatment ponds, control structures, spreader swales, inlets, manholes and storm pipes. The proposed ponds and outfall structures have been designed to provide water quality treatment and attenuation in accordance with County and South Florida Water Management District regulations. The stormwater management system has been designed to accommodate on-site runoff in addition to offsite flows which have historically entered the project site.

5.3 100-Year Floodplain

Pursuant to the Federal Emergency Management Agency's (FEMA) Flood Insurance Rate Map (FIRM) panels 12097C 0040G and 12097C 0030G both dated June 18, 2013, none of the project site is located within the 100-year Flood Hazard Area (FHA), Zone AE or Zone A. Exhibit 9, FEMA 100-Year

Windward Community Development District Second Supplemental Engineer's Report (2020 Project)

Floodplain details the floodplain limits relative to the District boundaries.

The lack of FEMA FHA does not preclude any Jurisdiction having permitting authority from requiring the establishment of Base Flood Elevations (BFE) nor to avoid measures resulting from any filled areas below the BFE which will require mitigation in the form of a volume-for-volume match between BFE impacts and compensating storage.

5.4 Master Infrastructure

Various master infrastructure elements funded by the developer are not eligible for reimbursement and are therefore not included in the 2020 Project. These include earthworks and stabilization associated with private residential lots and costs due to non-tangible items such as permit fees, mobilization, maintenance of traffic, performance bonds, as-built surveys, and erosion control maintenance. Master infrastructure elements included in the 2020 Project are detailed herein.

5.4.1 Phase 3A, 3B, 3C, 4A & 4B Roadways

The primary roadway improvements include approximately 11,565 linear feet of road and will define the major ingress and egress points throughout the Development as well as serve as the collector roads to support the residential development. The roadways will also serve as locations for the placement of utility infrastructure needed to serve the development of the project, see Exhibit 6.

5.4.2 Potable Water Distribution System

The District will fund the construction of the water distribution system within the District and those portions required to connect to existing or proposed offsite facilities. The potable water system will be conveyed to, and owned and maintained by TWA once it has been certified complete. The main sizing within the District, sized to provide water to residents of the District, will be required to be designed and constructed based on the Master Utility Plan (MUP). Exhibit 10, Potable Water Distribution System Map, provides a graphical representation of the water mains to be constructed within Phases 3A, 3B, 3C, 4A & 4B.

5.4.3 Reclaimed Water Distribution System

The District will fund the construction of the reclaimed water distribution system within the District and those portions required to connect to existing or proposed offsite facilities. The reclaimed water system will be conveyed to, and owned and maintained by the HOA per agreement once it has been certified complete by the District/EOR. The main sizing within the District, sized to provide reclaimed water to the lot boundaries and common areas, will be required to be designed and constructed based on the MUP. Exhibit 11, Reclaimed Water Distribution System Map, provides a graphical representation of the existing and proposed offsite reclaimed water system and onsite Phases 3A, 3B, 3C, 4A & 4B contemplated within the District.

5.4.4 Wastewater System

The District will fund the construction of the gravity sewer, force main, and lift station infrastructure within the District and those portions required to connect to existing or proposed offsite facilities. The wastewater system will be conveyed to, and owned and maintained by TWA once it has been certified complete by the District. The main sizing and lift stations within the District, sized to provide wastewater service to the residents of the District, will be required to be designed and constructed based on the MUP. Exhibit 12,

Windward Community Development District Second Supplemental Engineer's Report (2020 Project)

Wastewater System Map, provides a graphical representation of the wastewater system and onsite Phases 3A, 3B, 3C, 4A & 4B contemplated within the District.

5.4.5 Landscape & Hardscape

The landscaping and irrigation of the primary roadways will provide the “first impression” of the Development. The District will fund landscape and hardscape construction and maintenance within common areas which may include perimeter landscape buffers, master signage, way finding signage, entry hardscape features, entry landscape, amenity area landscape and hardscape, pedestrian/multi-purpose trails, and street trees. The District will own and maintain foregoing improvements.

5.4.6 Electrical Distribution and Street Lights

Most, if not all, District constructed Master Infrastructure will include underground electric and street lighting. The street lighting system will be constructed in cooperation with the County, Duke Energy and the Developer. The District will fund the cost to trench the underground installation only. Leasing and monthly service charges associated with the upgraded street lighting fixtures along District owned and maintained roadways within the District are the responsibilities of others. Duke Energy and the appropriate community entity will own and maintain the electric and street light infrastructure.

5.5 Professional and Inspection Fees

Design, permitting and construction for the proposed CIP, professional services are required by various consultants. The consultants required are: civil engineer, geotechnical, planner, environmental, surveying, and landscape architect. During construction, the various permitting agencies will observe and inspect the project. Each of the agencies will charge an inspection fee to cover the costs associated with an inspector visiting the site to observe construction progress and confirm that the project is constructed in accordance with their respective approved plans, permits, rules, and regulations. The Professional Services and Inspections Fees are included as Soft Costs for the 2020 Project based on previous costs and assumptions.

5.6 Construction Schedule

Section 6 Ownership and Maintenance

Proposed District Capital Improvements Plan	Ownership	Maintenance
Onsite Roadway & Alley Improvements	County/District	County/District
Offsite Roadway Improvements	County	County
Master Stormwater Management System	District	District
Potable Water Distribution System	TWA	TWA
Sanitary Sewer System	TWA	TWA
Reclaimed Water Distribution System	HOA	HOA
Landscaping, Irrigation and Signage	District	District
Electrical Distribution & Street Lights	Duke Energy/District	Duke Energy/District

Section 7 Roadway Rights-of-Way, Stormwater Management Ponds and Other Open Spaces

**Windward Community Development District
Second Supplemental Engineer's Report (2020 Project)**

Real property interests for lands within the District needed for construction, operation, and maintenance of District facilities will be conveyed and/or dedicated by the owner thereof to the District or other Public entity at no cost.

Section 8 Estimate of Probable Capital Improvement Costs

The Estimate of Probable Capital Improvement Plan Costs is provided in Exhibit 15. Design costs associated with the improvements herein before described have been estimated based on the best available information. Other soft costs include portions of the wetland/permit surveying, design and engineering for all of the described work, regulatory permitting and materials testing. Last, a reasonable project contingency estimate has been included utilizing rounding factors. Please note that the costs are preliminary in nature and subject to change based on final engineering, permitting, and changes in construction cost due to market fluctuation.

Section 9 Completed Infrastructure Improvements and Costs

As previously outlined in the Master Engineers Report, the First Supplemental Engineers Report and the Second Supplemental Engineers Report, Infrastructure Capital Improvements for the CDD have progressed accordingly. Please refer to these reports for any specific information. A summary is provided below of the items completed to date, those under construction and the funds associated therewith.

Section 10 Conclusions and Summary Opinion

The CIP and 2020 Project as described in the Master Engineer's Report and this Second Supplemental Engineer's Report are necessary for the functional development of the property within the District as required by the applicable local governmental agencies. The planning and design of such infrastructure will be in accordance with current governmental regulatory requirements. The public infrastructure as described in this Second Supplemental Engineer's Report will serve its intended function provided the construction is in substantial compliance with the future design and permits which will be required by the District. In addition to the annual non-ad valorem assessments to be levied and collected to pay debt service on the proposed bonds, the District will levy and collect an annual "Operating and Maintenance" assessment to be determined, assessed and levied by the District's Board of Supervisors upon the assessable real property within the District, for the purpose of defraying the cost and expenses of maintaining District-owned improvements.

The construction costs for the 2020 Project in this Second Supplemental Engineer's Report are based on the plans for the District as currently permitted. In our professional opinion, and to the best of our knowledge and belief, the costs provided herein for the District are reasonable to complete the construction of the infrastructure improvements described herein. All of the proposed infrastructure CIP costs are public improvements or community facilities as set forth in sections 190.012(1) and (2) of the Florida Statutes.

The summary of probable infrastructure construction costs is only an opinion and not a guaranteed maximum price. Historical costs, actual bids and information from other professionals or contractors have been used in the preparation of this report. Contractors who have contributed in providing the cost data included in this report are reputable entities with experience in central Florida.

The labor market, future costs of equipment and materials, increased regulatory actions and requirements, and the actual construction process are all beyond our control. Due to this inherent opportunity for

**Windward Community Development District
Second Supplemental Engineer's Report (2020 Project)**

fluctuation in cost, the total final cost may be more or less than this opinion.

CIP Costs Table

Original Estimated CIP Costs	Original Estimated 2018 Project	Actual 2018 Project	2018 Project Cost Overages	Phase 3 (3B,3C,3D)	Phase 4 (4A, 4B) Expansion Area	TOTAL
\$22,712,000.00	\$10,626,241.07	\$10,878,684.37	\$252,443.30	\$7,244,578.0	\$4,588,737.6	\$22,712,000

¹The remainder of the budget is assumed to be costs which include Electric Service & Lighting, Landscape & Hardscape, Mitigation and Professional Services.

Developer vs. Bond Funds Expended

Phase	Contract Cost
Developer Funded Costs to Date	\$
Costs to Date Using Bond Funds	\$6,604,706.39
TOTAL	\$11,977,509.33

END OF SUPPLEMENTAL REPORT

**As District Engineer:
Poulos & Bennett, LLC**



David M. Kelly, PE, CFM
State of Florida Professional Engineer No. 43325

Appendices

**WINDWARD CDD
PROBABLE CAPITAL IMPROVEMENT COSTS**

Facility	Original Total CIP	Revised CIP ¹	2018 Project	2020 Project
Master Stormwater Management System	\$2,836,000	\$3,944,682.36	\$2,162,531.82	\$1,782,150.54
Onsite Transportation Improvements	\$3,452,000	\$4,207,155.79	\$1,985,223.92	\$2,221,931.87
Offsite Improvements	\$578,000	\$576,341.19	\$476,341.49	\$100,000.00
Potable Water Distribution System	\$2,112,000	\$1,695,451.18	\$758,723.16	\$936,728.02
Sanitary Sewer System	\$3,544,000	\$3,342,185.31	\$1,077,218.59	\$2,264,966.72
Reclaimed Water Distribution System	\$576,000	\$1,219,457.94	\$514,633.42	\$704,824.52
Landscaping, Walls & Monuments	\$2,682,000	\$2,949,328.95	\$1,871,567.48	\$1,077,761.47
Electrical Distribution & Street Lights	\$780,000	\$604,993.64	\$319,393.64	\$285,600.00
Ecological Mitigation	\$1,082,000	\$100,000	\$0	\$100,000.00
Professional Fees / Contingencies	\$2,423,000	\$2,997,712.32	\$1,713,050.85	\$1,284,661.47
Contingencies	\$2,647,000	\$1,074,691.02	\$0	\$1,074,691.02
Total	\$22,712,000	\$22,712,000	\$10,878,684	\$11,833,316

¹Based on Actual Contracted Total Amounts

2020 Project

<u>2020 Inside CDD</u>	<u>2020 Outside CDD</u>	<u>TOTAL</u>
\$ 1,022,954.41	\$ 759,196.13	\$ 1,782,150.54
\$ 1,386,485.49	\$ 835,446.38	\$ 2,221,931.87
\$ -	\$ 100,000.00	\$ 100,000.00
\$ 537,681.88	\$ 399,046.14	\$ 936,728.02
\$ 1,300,090.90	\$ 964,875.82	\$ 2,264,966.72
\$ 404,569.27	\$ 300,255.25	\$ 704,824.52
\$ 618,635.08	\$ 459,126.39	\$ 1,077,761.47
\$ 163,934.40	\$ 121,665.60	\$ 285,600.00
\$ 50,000.00	\$ 50,000.00	\$ 100,000.00
\$ 642,330.74	\$ 642,330.74	\$ 1,284,661.47
\$ 616,872.86	\$ 457,818.53	\$ 1,074,691.39
\$ 6,743,555.03	\$ 5,089,760.97	\$ 11,833,316.00

Exhibit 15A

SECTION B

**SECOND SUPPLEMENTAL
ASSESSMENT METHODOLOGY**

**FOR
WINDWARD
COMMUNITY DEVELOPMENT DISTRICT**

Date: September 16, 2020

Prepared by

**Governmental Management Services - Central Florida, LLC
219 E. Livingston St
Orlando, FL 32801**

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

1.0 Introduction

The Windward Community Development District is a local unit of special-purpose government organized and existing under Chapter 190, Florida Statutes (the "District"), as amended. The District is issuing \$11,910,000 of tax exempt bonds in one or more series (the "2020 Bonds") for the purpose of financing certain infrastructure improvements within an assessment area within the District (the "2020 Project"), more specifically described in the Engineer's Report for Capital Improvements dated April 27, 2017, as may be amended and supplemented from time to time, and as particularly amended and supplemented by the Second Supplemental Engineer's Report (2020 Project) dated September 1, 2020, each prepared by Poulos & Bennett (together, the "Engineer's Report"). The District anticipates the construction or acquisition of infrastructure improvements that benefit property owners within Phases 3B, 3C and 3D (the "2020 Assessment Area") and Phases 4A and 4B (the "Expansion Area" and, together with the 2020 Assessment Area, the "2020 Project Area").

1.1 Purpose

This Second Supplemental Assessment Methodology Report (the "Supplemental Report") provides for an assessment methodology for allocating the debt to be incurred by the District with respect to the 2020 Project to the 2020 Project Area. This report supplements the previously approved Master Assessment Methodology (the "Master Assessment Report") dated April 27, 2017. The Master Assessment Report allocates the debt issued by the District with respect to its Capital Improvement Plan ("CIP") to properties based on the special benefits each receives from the CIP. The Master Assessment Report will be supplemented with one or more supplemental methodology reports to reflect the actual terms and conditions at the time of the issuance of each series of Bonds. This Supplemental Report relates to the 2020 Bonds and is designed to conform to the requirements of Chapters 190 and 170, Florida Statutes with respect to special assessments and is consistent with our understanding of case law on this subject.

The District intends to impose non ad valorem special assessments (the "2020 Assessments") on the 2020 Project Area based on this Supplemental Report. It is anticipated that all of the proposed special assessments will be collected through the Uniform Method of Collection described in Chapter 197.3632, Florida Statutes or any other legal means available to the District. It is not the intent of this Supplemental Report to address any other assessments, if applicable, that may be levied by the District, a homeowner's association, or any other unit of government.

1.2 Background

The District currently includes approximately 128 Acres in Osceola County, Florida. The 2020 Assessment Area is within the current boundaries of the District. The Expansion Area is currently outside the current boundaries of the District but actions are being taken to annex the Expansion Area into the District. At such time as the Expansion Area is annexed into the District, the District will include approximately 160 acres. It should be noted that while the methodology described herein with respect to the allocation of the 2020

Assessments will apply to the Expansion Area, such 2020 Assessments will not be levied upon the Expansion Area until such time as the Expansion Area is annexed into the District. Both the Engineer's Report and this Supplemental Report were prepared assuming that the Expansion Area is annexed into the District. The development program related to the 2020 Bonds currently envisions approximately 196 residential units in the 2020 Assessment Area and 86 residential units in the Expansion Area for a total of 282 residential units in the 2020 Project Area. The proposed development program for the 2020 Project Area is depicted in Table 1. It is recognized that such land use plan may change, and this report will be modified accordingly. Bond proceeds allocable to the Expansion Area will be deposited into a restricted construction account with the trustee for the 2020 Bonds. Such funds will not be released from the restricted construction account until such time as certain conditions within the bond indenture are met, including, without limitation, the annexation of the Expansion Area and the levy of the 2020 Assessments to the lands therein. The bond indenture will provide that if the conditions to release the bond proceeds from the restricted construction account are not met by September 15, 2021, such funds will be used to pay down 2020 Bonds on November 1, 2021.

The improvements contemplated by the District in the CIP will provide facilities that benefit certain property within the District. The CIP (of which the 2020 Project is a part) is delineated in the Engineer's Report. Specifically, the District will construct and/or acquire certain onsite transportation improvements, offsite roadway improvements, stormwater management systems, potable water distribution systems, reclaimed water distribution systems, sanitary sewer systems, landscaping, Walls and Monuments, the trenching of electrical distribution, street lights, ecological mitigation, and professional fees/contingencies. The acquisition and construction costs are summarized in Table 2.

The assessment methodology is a four-step process.

1. The District Engineer must first determine the public infrastructure improvements and services that may be provided by the District and the costs to implement the CIP.
2. The District Engineer determines the assessable acres that benefit from the District's CIP.
3. A calculation is made to determine the funding amounts necessary to acquire and/or construct CIP.
4. This amount is initially divided equally among the benefited properties on a prorated gross acreage basis. Ultimately, as land is platted, this amount will be assigned to each of the benefited properties based on the number of platted units.

1.3 Special Benefits and General Benefits

Improvements undertaken by the District with respect to the CIP create special and peculiar benefits to properties within its borders as well as general benefits to the public at large.

However, as discussed within this 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 implementation of the CIP enables properties within the District's boundaries to be developed. Without the District's CIP, there would be no infrastructure to support development of land within the District. Without these improvements, development of the property within the District would be prohibited by law.

There is no doubt that the general public and property owners outside the District will benefit from the provision of the District's CIP. However, these benefits will be incidental to the District's CIP, which is designed solely to meet the needs of property within the District. Properties outside the District boundaries do not depend upon the District's CIP. The property owners within the District are therefore receiving special benefits not received by those outside the District's boundaries.

1.4 Requirements of a Valid Assessment Methodology

There are two requirements under Florida law for a valid special assessment:

- 1) The properties must receive a special benefit from the improvements being paid for.
- 2) The assessments must be fairly and reasonably allocated to the properties being assessed.

Florida law provides for a wide application of special assessments that meet these two characteristics of special assessments.

1.5 Special Benefits Exceed the Costs Allocated

With respect to the 2020 Assessments, the special benefits provided to the property owners within the 2020 Project Area are greater than the costs associated with providing these benefits. The District Engineer estimates that the 2020 Project that is necessary to support full development of property within the 2020 Project Area will cost approximately \$11,833,316. The District's Underwriter projects that financing a portion of the costs included within the 2020 Project, including project costs, the cost of issuance of the Bonds, the funding of debt service reserves and capitalized interest, will be \$11,910,000. Additionally, funding required to complete the CIP is anticipated to be funded by the Developer or a future series of bonds. Without the CIP, the property would not be able to be developed and occupied by future residents of the community.

2.0 Assessment Methodology

2.1 Overview

The District will issue approximately \$11,910,000 in 2020 Bonds to fund a portion of the 2020 Project, provide for capitalized interest, a debt service reserve account and cost of issuance. It is the purpose of this Supplemental Report to allocate the \$11,910,000 in debt to the properties benefiting from the 2020 Project (i.e., the 2020 Project Area).

- 2.2 Table 1 identifies the land uses as identified by the Developer and current landowners of the land within the 2020 Project Area. The District Engineer has prepared the Engineer's Report for the CIP and 2020 Project and those construction costs are outlined in Table 2. The improvements needed to support the development of the 2020 Project Area are described in detail in the Engineer's Report and are estimated to cost \$11,833,316. Based on the estimated costs, the size of the bond issue under current market conditions needed to generate funds to pay for a portion of the 2020 Project and related costs was determined by the District's Underwriter to total \$11,910,000. Table 3 shows the breakdown of the bond sizing.
- Allocation of Debt Assessments**

Allocation of debt assessments is a continuous process until the development plan is completed. The 2020 Project funded by the 2020 Bonds benefits all developable acres within the 2020 Project Area.

Initially, the 2020 Assessments will be levied on an equal basis to all acres within the 2020 Project Area (with the levy of 2020 Assessments to the Expansion Area occurring following annexation of such lands). A fair and reasonable methodology allocates the debt incurred by the District proportionately to the properties receiving the special benefits. At this point all of the lands within the 2020 Project Area are benefiting from the 2020 Project.

Once platting ("Assigned Properties") has begun, the assessments will be levied to the Assigned Properties based on the benefits they receive. The Unassigned Properties, defined as property that has not been platted or assigned development rights, will continue to be assessed on a per acre basis ("Unassigned Properties"). Eventually the development plan will be completed and the debt relating to the 2020 Bonds will be allocated to the planned 196 residential units within the 2020 Assessment Area and the 86 residential units within the Expansion Area which are all beneficiaries of the 2020 Project, as depicted in Table 5 and Table 6. If there are changes to development plan, a true up of the assessment will be calculated to determine if a debt reduction or true-up payment from the Developer is required. The process is outlined in Section 3.0

The assignment of debt in this Supplemental Report sets forth the process by which is the 2020 Assessments are apportioned.

2.3 Allocation of Benefit

The CIP consists of onsite transportation improvements, offsite roadway improvements, stormwater management systems, potable water distribution systems, reclaimed water distribution systems, sanitary sewer systems, landscaping, Walls and Monuments, trenching of electrical distribution, street lights, ecological mitigation, and professional fees/contingencies along with related incidental costs. Table 4 shows the allocation of benefit to the particular land uses. It is important to note that the benefit derived from the improvements on the particular units exceeds the cost that the units will be paying for such benefits.

2.4 Lienability Test: Special and Peculiar Benefit to the Property

Construction and/or acquisition by the District of its proposed CIP will provide several types of systems, facilities and services for its residents. These include onsite transportation improvements, offsite roadway improvements, stormwater management systems, potable water distribution systems, reclaimed water distribution systems, sanitary sewer systems, landscaping, Walls and Monuments, electrical distribution, street lights, ecological mitigation, and professional fees/contingencies. These improvements accrue in differing amounts and are somewhat dependent on the type of land use receiving the special benefits peculiar to those properties, which flow from the logical relationship of the improvements to the properties.

Once these determinations are made, they are reviewed in the light of the special benefits peculiar to the property, which flow to the properties as a result of their logical connection from the improvements in fact actually provided.

For the provision of CIP, the special and peculiar benefits are:

- 1) the added use of the property,
- 2) added enjoyment of the property, and
- 3) the probability of increased marketability and value of the property.

These special and peculiar benefits are real and ascertainable, but are not yet capable of being calculated as to value with mathematical certainty. However, each is more valuable than either the cost of, or the actual non-ad valorem special assessment levied for the improvement or the debt as allocated.

2.5 Lienability Test: Reasonable and Fair Apportionment of the Duty to Pay Non-Ad Valorem Assessments

A reasonable estimate of the proportion of special and peculiar benefits received from the public improvements described in the Engineer's Report is delineated in Table 5 (expressed as Allocation of Par Debt per Product Type).

The determination has been made that the duty to pay the non-ad valorem special assessments is fairly and reasonably apportioned because the special and peculiar benefits to the property derived from the acquisition and/or construction of the District's CIP have been apportioned to the property according to reasonable estimates of the special and peculiar benefits provided consistent with the land use categories.

Accordingly, no acre or parcel of property within the boundaries of the District will have a lien for the payment of any non-ad valorem special assessment more than the determined special benefit peculiar to that property and therefore, the debt allocation will not be increased more than the debt allocation set forth in this Assessment Report.

In accordance with the benefit allocation suggested for the product types in Table 4, a total debt per unit and an annual assessment per unit have been calculated for each product type (Table 6). These amounts represent the preliminary anticipated per unit debt allocation assuming all anticipated units are built and sold as planned within the 2020 Project Area, and the entire proposed 2020 Project is developed or acquired and financed by the District.

3.0 True Up Mechanism

Although the District does not process plats, declaration of condominiums, site plans or revisions thereto for the Developer, it does have an important role to play during the course of platting and site planning. Whenever a plat, declaration of condominium or site plan is processed, the District must allocate a portion of its debt to the property according to this Supplemental Report outlined herein. In addition, the District must also prevent any buildup of debt on Unassigned Property. Otherwise, the land could be fully conveyed and/or platted without all of the debt being allocated. To preclude this, at the time Unassigned Properties become Assigned Properties, the District will determine the amount of anticipated assessment revenue that remains on the Unassigned Properties, taking into account the proposed plat, or site plan approval. If the total anticipated assessment revenue to be generated from the Assigned and Unassigned Properties is greater than or equal to the maximum annual debt service then no adjustment is required. In the case that the revenue generated is less than the required amount then a debt reduction or true-up payment by the landowner in the amount necessary to reduce the par amount of the outstanding bonds to a level that will be supported by the new net annual debt service assessments will be required.

4.0 Assessment Roll

The District will initially distribute the liens across the property within the 2020 Project Area (with the lien on the Expansion Area to be imposed post-annexation) on a gross acreage basis. As Assigned Property becomes known with certainty, the District will refine its allocation of debt from a per acre basis to a per unit basis as shown in Table 6. If the land use plan changes, then the District will update Table 6 to reflect the changes. As a result, the assessment liens are neither fixed nor are they determinable with certainty on any acre of land in the District prior to the time final Assigned Properties become known. At this time the debt associated with the portion of the 2020 Project allocable to the 2020 Assessment Area will be distributed evenly across the acres within the 2020 Assessment Area. At such time as the Expansion Area is annexed into the District, the portion of the 2020 Project allocable to the Expansion Area will be distributed evenly across the acres within the Expansion Area. As the development process occurs, the debt will be distributed against the Assigned Property in the manner described in this Supplemental Report. The current assessment roll is depicted in Table 7; provided, however, that as previously mentioned, the Expansion Area will not become part of the 2020 Project Area until such time as the Expansion Area is annexed into the District and the 2020 Assessments have been levied on such lands.

TABLE 1
WINDWARD COMMUNITY DEVELOPMENT DISTRICT
DEVELOPMENT PROGRAM
SECOND SUPPLEMENTAL METHODOLOGY

Product Types	Phase 4		Phase 5		Total No. of		ERUs per
	Units		Units		Unit (1)		
Single Family - 50'	196	0	196		1.00	196	
Duplex	0	86	86		1.00	86	
Total Units			282				282

(1) Benefit is allocated on an ERU basis; based on density of planned development, with Single Family

* Unit mix is subject to change based on marketing and other factors

TABLE 2
WINDWARD COMMUNITY DEVELOPMENT DISTRICT
INFRASTRUCTURE COST ESTIMATES
SECOND SUPPLEMENTAL METHODOLOGY

Capital Improvement Plan ("CIP") (1)	Total Cost Estimate	2018A Project (2)	2020A Project (3)
Master Stormwater Management System	\$ 2,836,000	\$ 2,162,532	\$ 1,782,151
Onsite Transportation Improvements	\$ 3,452,000	\$ 1,985,224	\$ 2,221,932
Offsite Improvements	\$ 578,000	\$ 476,341	\$ 100,000
Potable Water Distribution System	\$ 2,112,000	\$ 758,723	\$ 936,728
Sanitary Sewer System	\$ 3,544,000	\$ 1,077,219	\$ 2,264,967
Reclaimed Water Distribution System	\$ 576,000	\$ 514,633	\$ 704,825
Landscaping, Walls, and Monuments	\$ 2,682,000	\$ 1,871,567	\$ 1,077,761
Electrical Distribution & Lights	\$ 780,000	\$ 319,394	\$ 285,600
Ecological Mitigation	\$ 1,082,000	\$ -	\$ 100,000
Professional Fees	\$ 2,423,000	\$ 1,713,051	\$ 1,284,661
Contingencies	\$ 2,647,000	\$ -	\$ 1,074,691
	\$ 22,712,000	\$ 10,878,684	\$ 11,833,316

- (1) A detailed description of these improvements is provided in the Supplemental Engineer's Report dated September 1, 2020.
- (2) Necessary for the development of Phase 1, Phase 2, and Phase 3A
- (3) Necessary for the development of Phase 3B, 3C, 3D and Phase 4A and 4B.

TABLE 3
WINDWARD COMMUNITY DEVELOPMENT DISTRICT
BOND SIZING
SECOND SUPPLEMENTAL METHODOLOGY

Description	Series 2020A-1	Series 2020A-2	Total
Construction Funds	\$3,661,372	\$6,019,227	\$9,680,599
Debt Service Reserve	\$127,238	\$152,100	\$279,338
Capitalized Interest (Through 11/1/19)	\$202,313	\$329,550	\$531,863
Underwriters Discount	\$83,000	\$135,200	\$218,200
Cost of Issuance	\$76,077	\$123,923	\$200,000
Par Amount*	\$4,150,000	\$6,760,000	\$10,910,000

Bond Assumptions:

Interest Rate	4.50%	4.50%
Duration	30 Years	10 Years
Capitalized Interest	13 Months	13 Months
Maximum Annual Debt/Annual Int.	\$254,477	\$353,250
Debt Service Reserve	50% Max. Annual	Semi-Annual Int.
Underwriters Discount	2%	2%

TABLE 4 WINDWARD COMMUNITY DEVELOPMENT DISTRICT ALLOCATION OF BENEFIT SECOND SUPPLEMENTAL METHODOLOGY						
Product Types	No. of Units *	ERU Factor	Total ERUs	% of Total ERUs	Total	
					Improvements Costs Per Product Type - Series 2020	Improvement Costs Per Unit All Series
Single Family - 50'	196	1.00	196	69.50%	\$15,785,645	\$ 41,144.93
Duplex	86	1.00	86	30.50%	\$6,926,355	\$ 41,144.93
Totals	282		282	100.00%	\$ 22,712,000	

* Unit mix is subject to change based on marketing and other factors and full District development plan.

TABLE 5
WINDWARD COMMUNITY DEVELOPMENT DISTRICT
ALLOCATION OF PAR DEBT TO EACH PRODUCT TYPE
SECOND SUPPLEMENTAL METHODOLOGY

Product Types	No. of Units	Par Debt Per		No. of Units	Par Debt Per		Par Debt Series	Total Par Debt	Total Par Debt Per Unit
	2020A-1 *	Unit Series	2020A-1		Unit Series	2020A-2 *			
Single Family - 50'	196		\$14,716		\$2,884,397	196	\$29,311	\$5,743,093	\$8,629,353
Duplex	86		\$14,716		\$1,265,603	86	\$11,828	\$1,016,907	\$2,282,811
Totals	282				\$4,150,000	282		\$6,760,000	\$10,912,164

* Unit mix is subject to change based on marketing and other factors. The Series 2020A-2 Assessments are levied on those lots in Phases 3B, 3C, 3D and Phase 4A and 4B for which a home has not previously been constructed thereon and sold to a retail buyer. The actual number of lots subject to the Series 2020A-2 Assessments is subject to change based upon additional home closings that may occur prior to bond

TABLE 6

WINDWARD COMMUNITY DEVELOPMENT DISTRICT
ANNUAL ASSESSMENTS FOR EACH PRODUCT TYPE
SECOND SUPPLEMENTAL METHODOLOGY

Product Types	No. of Units *	Maximum Annual Debt Service - Series 2020A-1	Net Annual Debt Assessment Per Unit	Gross Annual Debt Assessment Per Unit (1)	No. of Units *	Net Annual Interest - Series 2020A-2	Net Annual Debt Assessment Per Unit	Gross Annual Debt Assessment Per Unit (1)
Single Family - 50'	196	\$176,871	\$902	\$961	196	\$154,261	\$1,353	\$1,440
Duplex	86	\$77,606.46	\$902	\$961	86	\$55,019	\$640	\$681
Totals	282	\$254,477			282	\$353,250		

(1) This amount includes collection fees and early payment discounts when collected on the Osceola County Tax Bill

* Unit mix is subject to change based on marketing and other factors. The Series 2020A-2 Assessments are levied on those lots in Phases 3B, 3C, for which a home has not previously been constructed thereon and sold to a retail buyer. The actual number of lots subject to the Series 2020A-2 change based upon additional home closings that may occur prior to bond issuance

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 7
WINDWARD COMMUNITY DEVELOPMENT DISTRICT
PRELIMINARY ASSESSMENT ROLL
SECOND SUPPLEMENTAL METHODOLOGY

Owner	Parcel ID	Phase	Acres	Total Par Debt Allocation Per Acre	Total Par Debt Allocated - Series 2020A-1	Net Annual Debt Assessment Allocation 2020A-1	Gross Annual Debt Assessment Allocation 2020A-1(1)	Total Par Debt Allocated - Series 2020A-2	Net Annual Debt Assessment Allocation 2020A-2	Gross Annual Debt Assessment Allocation 2020A-2(1)
K HOVNANIAN AT MYSTIC DUNES LLC 15-25-27-3160-000C-0010	Phase 4 A/B	23	\$3,396,913	\$1,292,135	\$79,233	\$83,987.40	\$2,104,779	\$109,987	\$116,586	
K HOVNANIAN AT MYSTIC DUNES LLC 15-25-27-3160-000A-0012	Phase 4 A/B	4.81	\$710,398	\$270,225	\$16,570	\$17,564.32	\$440,173	\$23,002	\$24,382	
K HOVNANIAN AT MYSTIC DUNES LLC 15-25-27-3160-000D-0013	3B	3.65	\$539,075	\$205,056	\$12,574	\$13,328.44	\$334,019	\$17,454	\$18,502	
K HOVNANIAN AT MYSTIC DUNES LLC 15-25-27-3160-000D-0018	3B	4.71	\$695,629	\$264,607	\$16,226	\$17,199.16	\$431,022	\$22,523	\$23,875	
K HOVNANIAN AT MYSTIC DUNES LLC 15-25-27-3160-000D-0020	3D	11.29	\$1,667,441	\$634,270	\$38,893	\$41,226.86	\$1,033,172	\$53,989	\$57,229	
K HOVNANIAN AT MYSTIC DUNES LLC 15-25-27-3160-000D-0014	3B	5.15	\$760,613	\$289,326	\$17,741	\$18,805.87	\$471,287	\$24,628	\$26,105	
K HOVNANIAN AT MYSTIC DUNES LLC 15-25-27-3160-000D-0017	3D	6.16	\$909,782	\$346,067	\$21,221	\$22,494.02	\$563,715	\$29,457	\$31,225	
K HOVNANIAN AT MYSTIC DUNES LLC 15-25-27-3414-0001-FD10	3C	15.1	\$2,230,148	\$848,315	\$52,018	\$55,139.55	\$1,381,833	\$72,209	\$76,541	
		73.87	\$10,910,000	\$4,150,000	\$254,477	\$269,746	\$6,760,000	\$353,250	\$374,445	

(1) This amount includes 6% to cover collection fees and early payment discounts when collected utilizing the uniform method.

Annual Assessment Periods - Years	Series 2020A-1	Series 2020A-2
Average Coupon Rate (%)	30	10
Maximum Annual Debt Service	4.50%	4.50%
	\$254,477	\$353,250

SECTION C

RESOLUTION 2020-11

A RESOLUTION OF WINDWARD COMMUNITY DEVELOPMENT DISTRICT SUPPLEMENTING ITS RESOLUTION 2017-18, AS PREVIOUSLY SUPPLEMENTED BY AUTHORIZING THE ISSUANCE OF ITS WINDWARD COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2020A-1 AND SERIES 2020A-2 (COLLECTIVELY, THE "2020A BONDS") IN A PRINCIPAL AMOUNT OF NOT EXCEEDING \$14,000,000 FOR THE PRINCIPAL PURPOSE OF ACQUIRING AND CONSTRUCTING ASSESSABLE IMPROVEMENTS; DELEGATING TO THE CHAIRMAN OR VICE CHAIRMAN OF THE BOARD OF SUPERVISORS OF THE DISTRICT, SUBJECT TO COMPLIANCE WITH THE APPLICABLE PROVISIONS HEREOF, THE AUTHORITY TO AWARD THE SALE OF SUCH 2020A BONDS TO MBS CAPITAL MARKETS, LLC BY EXECUTING AND DELIVERING TO SUCH UNDERWRITER A BOND PURCHASE AGREEMENT AND APPROVING THE FORM THEREOF; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF THE SECOND SUPPLEMENTAL TRUST INDENTURE; APPOINTING U.S. BANK NATIONAL ASSOCIATION AS THE TRUSTEE, BOND REGISTRAR AND PAYING AGENT FOR SUCH 2020A BONDS; MAKING CERTAIN FINDINGS; APPROVING FORM OF SAID 2020A BONDS; APPROVING THE FORM OF THE PRELIMINARY LIMITED OFFERING MEMORANDUM AND AUTHORIZING THE USE BY THE UNDERWRITER OF THE PRELIMINARY LIMITED OFFERING MEMORANDUM AND THE LIMITED OFFERING MEMORANDUM AND THE EXECUTION OF THE LIMITED OFFERING MEMORANDUM; APPROVING THE FORM OF THE CONTINUING DISCLOSURE AGREEMENT AND AUTHORIZING THE EXECUTION THEREOF; AUTHORIZING CERTAIN OFFICIALS OF WINDWARD COMMUNITY DEVELOPMENT DISTRICT AND OTHERS TO TAKE ALL ACTIONS REQUIRED IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF SAID 2020A BONDS; PROVIDING CERTAIN OTHER DETAILS WITH RESPECT TO SAID 2020A BONDS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Windward Community Development District (the "District") is authorized by Florida Statutes, Chapter 190 (the "Act") and Ordinance No. 2017-21 of Osceola County, Florida (the "Ordinance"), to issue its bonds for the purpose of acquiring and constructing assessable improvements all as provided in the Act and the Ordinance; and

WHEREAS, the District is authorized by the Act to make payments of principal, interest, and premium, if any, with respect to its bonds by levying and collecting special assessments on property located within the District and specially benefited by the assessable improvements to be financed with certain proceeds of its bonds; and

WHEREAS, the District pursuant to its Resolution 2017-18 as (the "First Resolution") authorized the issuance of its not exceeding \$26,880,000 principal amount of its special assessment revenue bonds (the "Bonds") in separate series for the purposes set forth in said First Resolution and approved the form of the Master Indenture (hereinafter defined) in substantially the form attached to the First Resolution; and

WHEREAS, the only Bonds previously issued by the District are its Special Assessment Revenue Bonds, Series 2018A-1 and Series 2018A-2 issued in the aggregate principal amount of \$7,580,000; and

WHEREAS, the Bonds were validated by final judgment rendered by the Circuit Court in and for Osceola County, Florida on August 29, 2017; and

WHEREAS, the District now desires to supplement the First Resolution, to authorize the issuance of and award the sale of its Special Assessment Revenue Bonds, Series 2020A-1 (the "A-1 Bonds") and Series 2020A-2 (the "A-2 Bonds", collectively with the A-1 Bonds, the "2020A Bonds") in a principal amount not exceeding \$14,000,000, to approve the Supplemental Indenture (hereinafter defined) and to provide for various other matters relating to the issuance of the 2020A Bonds; and

WHEREAS, the Board of Supervisors of the District (the "Board") has received from MBS Capital Markets, LLC (the "Underwriter") a proposal in the form of a Bond Purchase Agreement (the "Contract") for the purchase of the 2020A Bonds and the Board has determined that acceptance of such proposal and the sale of the 2020A Bonds to the Underwriter is in the best interest of the District for the reasons hereafter indicated;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF WINDWARD COMMUNITY DEVELOPMENT DISTRICT, as follows:

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

SECTION 2. Authorization. There is hereby authorized to be issued the 2020A Bonds in a principal amount not exceeding \$14,000,000. The 2020A Bonds shall be issued under and secured by the Master Trust Indenture dated as of November 1, 2018 (the "Master Indenture") as supplemented by that Second Supplemental Trust Indenture (the "Supplemental Indenture") both by and between the District and U.S. Bank National Association, as trustee (the "Trustee") (the Master Indenture and the Supplemental Indenture are referred to collectively as the "Indenture"). The proceeds of the 2020A Bonds shall be used for the purposes set forth in the Supplemental Indenture and the Limited Offering Memorandum (hereinafter defined).

SECTION 3. Approval of Supplemental Indenture. The Supplemental Indenture is hereby approved in substantially the form set forth as **Exhibit A** hereto and the Chairman or the Vice Chairman of the Board are hereby authorized and directed to execute and deliver such Supplemental Indenture on behalf of and in the name of the District and the Secretary or any Assistant Secretary of the Board is hereby authorized to attest such execution, with such additions and deletions therein as may be made and approved by the Chairman or the Vice Chairman

executing the same, such execution to be conclusive evidence of such approval. The Trustee is hereby appointed to serve as Trustee, Bond Registrar and Paying Agent under such Supplemental Indenture. Proceeds of the Bonds shall be applied as provided in the Supplemental Indenture.

SECTION 4. Negotiated Sale. The Board hereby determines that a negotiated sale of the 2020A Bonds to the Underwriter is in the best interest of the District because of prevailing market conditions, because delays caused by soliciting competitive bids could adversely affect the District's ability to issue and deliver the 2020A Bonds at presently favorable interest rates, and because the nature of the security for the 2020A Bonds and the sources of payment of debt service on the 2020A Bonds require the participation of an underwriter in structuring the bond issue.

SECTION 5. Contract Approved. The Board hereby approves the Contract submitted by the Underwriter in substantially the form attached as **Exhibit B** hereto. The Chairman or Vice Chairman of the Board is hereby authorized to execute the Contract and to deliver the Contract to the Underwriter with such changes, amendments, modifications, omissions and additions as may be approved by the executing Chairman or Vice Chairman; provided that (i) the principal amount of the 2020A Bonds shall not exceed \$14,000,000; (ii) the interest rate on none of the 2020A Bonds will exceed the maximum rate allowed under applicable Florida law without regard to any waiver of such maximum rate; (iii) the Underwriter's discount shall not exceed two percent (2.0%) of the principal amount of the 2020A Bonds; (iv) the A-1 Bonds shall be subject to optional redemption no later than May 1, 2033 at a Redemption Price not in excess of 100% of the principal amount to be redeemed plus accrued interest to the redemption date; and (v) the final maturity of the 2020A Bonds shall be no later than May 1, 2052.

SECTION 6. Preliminary Limited Offering Memorandum and Limited Offering Memorandum. The District hereby approves the Preliminary Limited Offering Memorandum in substantially the form attached hereto as **Exhibit C** (the "Preliminary Limited Offering Memorandum") and authorizes its distribution and use by the Underwriter in connection with the offering for the sale of the 2020A Bonds. If between the date hereof and the mailing of the Preliminary Limited Offering Memorandum it is necessary to make insertions, modifications and changes to the Preliminary Limited Offering Memorandum, the Chairman or Vice Chairman is hereby authorized to approve such insertions, changes and modifications, and, the Chairman or Vice Chairman is hereby authorized to deem the Preliminary Limited Offering Memorandum "final" within the meaning of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") under the Securities Exchange Act of 1934, in the form as mailed and in furtherance thereof to execute a certificate evidencing same. The preparation of a final Limited Offering Memorandum is hereby approved and the Chairman or Vice Chairman is hereby authorized to execute such final Limited Offering Memorandum to be dated the date of the award of the 2020A Bonds and, upon such award, to deliver the same to the Underwriter for use by it in connection with the sale and distribution of the 2020A Bonds. The Limited Offering Memorandum shall be substantially in the form of the final Preliminary Limited Offering Memorandum, with such changes as shall be approved by the Chairman or Vice Chairman as necessary to conform to the details of the 2020A Bonds and such other insertions, modifications and changes as may be approved by the Chairman or Vice Chairman. The execution and delivery of the Limited Offering Memorandum by the Chairman or Vice Chairman shall constitute evidence of the approval thereof. The District hereby authorizes the use of the Preliminary Limited Offering Memorandum and the

Limited Offering Memorandum and the information contained therein in connection with the offering and sale of the 2020A Bonds.

SECTION 7. Form of 2020A Bonds. The 2020A Bonds shall be in substantially the form as set forth in an exhibit to the Supplemental Indenture, with such additions, deletions and other changes thereto as the officials of the Board executing the 2020A Bonds shall approve, such approval to be conclusively evidenced by the execution of the 2020A Bonds (by manual or facsimile signature) by such officials. The Board hereby authorizes and approves the use of a facsimile of the District seal on the 2020A Bonds.

SECTION 8. Continuing Disclosure Agreement. The form and content of the Continuing Disclosure Agreement (the "Disclosure Document") relating to the 2020A Bonds attached hereto as **Exhibit D** is hereby approved. The Chairman or Vice Chairman and the Secretary or any Assistant Secretary are hereby authorized to execute on behalf of the District the Disclosure Document in substantially the form attached hereto, with such additions, deletions, and other changes as may be necessitated by applicable law, this Resolution and the Contract as such officers may approve (such approval to be conclusively evidenced by their execution of the Disclosure Document).

SECTION 9. 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 2020A 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 requirement of Florida Statutes, Section 286.011 and all applicable Executive Orders of the Governor of the State of Florida.

SECTION 10. Approval of Acquisition Agreement, Completion Agreement, Collateral Assignment and True-Up Agreement. The Acquisition Agreement, Completion Agreement, Collateral Assignment and True-Up Agreement all as defined in the Supplemental Indenture and the Lien of Record and Notice of Collection Agent for Special Assessments are hereby approved in substantially the forms set forth as composite **Exhibit E** hereto and the Chairman or the Vice Chairman of the Board is hereby authorized and directed to execute and deliver such documents on behalf of and in the name of the District and the Secretary or any Assistant Secretary of the Board is hereby authorized to attest such execution, with such additions and deletions therein as may be made and approved by the Chairman or the Vice Chairman executing the same, such execution to be conclusive evidence of such approval.

SECTION 11. Other Actions. The Chairman, the Vice Chairman, the Secretary, any Assistant Secretary and the District Manager of the District, and any authorized designee thereof (collectively, the "District Officers"), Akerman LLP, as Bond Counsel, Latham, Luna, Eden & Beaudine, LLP the District's General Counsel, and any other consultant or experts retained by the District, are hereby authorized and directed to take all actions necessary or desirable in connection with the issuance and delivery of the 2020A Bonds and the consummation of all transactions in connection therewith. The District Officers are hereby authorized and directed to execute all necessary or desirable certificates, documents, papers, and agreements necessary to the undertaking and fulfillment of all transactions referred to in or contemplated by the Supplemental

Indenture, the Preliminary Limited Offering Memorandum, the Limited Offering Memorandum, this Resolution, the Disclosure Document and the Contract.

SECTION 12. Approval of Prior Actions. All actions taken to date by the members of the Board and the officers, agents, and employees of the District in furtherance of the issuance of the Bonds are hereby approved, confirmed and ratified.

SECTION 13. Inconsistent Resolutions and Motions. All prior resolutions of the Board inconsistent with the provisions of this Resolution are hereby modified, supplemented and amended to conform with the provisions herein contained and, except as so modified, supplemented and amended hereby, shall remain in full force and effect.

SECTION 14. 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.

SECTION 15. Effective Date. This Resolution shall become effective immediately upon its adoption.

ADOPTED this 16th day of September, 2020.

**WINDWARD COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Chairman

[SEAL]
Attest:

By: _____
Secretary

Exhibit E

Acquisition Agreement, Completion Agreement, Collateral Assignment, True-Up Agreement

**AGREEMENT BY AND BETWEEN THE
WINDWARD COMMUNITY DEVELOPMENT DISTRICT
AND THE DEVELOPER REGARDING
THE ACQUISITION OF CERTAIN
WORK PRODUCT AND INFRASTRUCTURE**

THIS AGREEMENT BY AND BETWEEN THE WINDWARD COMMUNITY DEVELOPMENT DISTRICT AND THE DEVELOPER, REGARDING THE ACQUISITION OF CERTAIN WORK PRODUCT AND INFRASTRUCTURE (the "Acquisition Agreement") is made and entered into as of _____, 2020, by and between **WINDWARD COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, located in Osceola County, Florida (the "District"), with offices located at 219 East Livingston Street, Orlando, Florida 32801, and **K. HOVNANIAN AT MYSTIC DUNES, LLC**, a Florida limited liability limited company, the landowner and/or developer of lands within the District, its successors and assigns, whose mailing address is 2301 Lucien Way, Suite 260, Maitland, Florida 32751 (the "Developer"; together with the District, the "Parties").

RECITALS

WHEREAS, the District was established by Ordinance Number 2017-21, enacted by the County Commissioners of Osceola County, Florida (the "Ordinance") for the purpose of planning, financing, constructing, acquiring, operating and/or maintaining certain infrastructure, including surface water management systems, water and wastewater facilities, roadways, landscaping, parks, and recreational facilities and uses; and

WHEREAS, the Developer is the developer of certain lands within the District (the "Development"); and

WHEREAS, the District acknowledges the Developer's need to commence work on the Development in an expeditious and timely manner; and

WHEREAS, the District anticipates issuing \$14,000,000 Windward Community Development District Special Assessment Revenue Bonds, Series 2020A-1 and 2020A-2 (collectively, the "Series 2020A Bonds"), together with other legally available funds for: (i) the payment of the costs of acquiring and/or constructing all or a portion of the infrastructure improvements for the District's 2020A Project (the "2020A Project"), as will be more specifically defined herein, (ii) the payment of certain costs associated with the issuance of the Series 2020A Bonds; (iii) the payment of a portion of the interest accruing on the Series 2020A Bonds; and (iv) funding of the 2020A-1 Reserve Account and the 2020A-2 Reserve Account; and

WHEREAS, the District plans to acquire certain completed public infrastructure improvements within Development, including, but not limited to surface water management system infrastructure such as surface water pumps as part of the 2020A Project, as shall be more specifically described by the District Engineer and approved by the District; and

WHEREAS, the Developer agrees that the Development will benefit from the timely completion and acquisition of the 2020A Project; and

WHEREAS, the Developer and the District acknowledge that the funds available in the through the 2020A Acquisition and Construction Account will not be sufficient to complete the design, construction and/or acquisition of the 2020A Project; and

WHEREAS, the Developer has agreed to commence development of the lands within the 2020A Project or to provide to the District sufficient funds to allow it to timely complete the 2020A Project, in an expeditious and timely manner, some of which development requires or includes some of the improvements or times as described herein; and

WHEREAS, in order to permit the commencement of the construction of infrastructure, the Developer has advanced, funded, commenced, and completed and will complete certain work to enable the District to expeditiously provide the infrastructure generally described in Exhibit “A” (the “Improvements”); and

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

WHEREAS, the Developer has under contract to create or has created the Improvements and Work Product for the District and wishes to convey certain elements thereof, as it is completed, to the District; and

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

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

WHEREAS, in order to allow the District to avoid delay as a result of the lengthy process incident to the sale and closing on the District’s proposed tax exempt bonds, the Developer has under contract, under construction, or is obligated to convey to certain governmental entities, certain portions of the District Improvements; and

WHEREAS, the Developer agrees to convey to the District all right, title, and interest in the portion of the Improvements as of the Acquisition Date (as hereinafter defined), or as soon thereafter as practicable; and

WHEREAS, the District wishes to acquire the Improvements from the Developer as of the Acquisition Date with a portion of the proceeds of the Series 2020A Bonds; and

WHEREAS, in conjunction with the acquisition of the Improvements, the Developer desires to convey, or cause to be conveyed, to the District, interests in certain real property sufficient to allow the District to own, operate, maintain, construct, or install the Improvements, as generally described in Exhibit “A”, to the extent that any such conveyances are appropriate, and whether such conveyances shall be in fee simple, perpetual easement, or other interest as may be in the best interests of the District or required by permits or development plans (the “Real Property”); and

WHEREAS, the Developer agrees to convey, or cause to be conveyed, any such real property interests to the District and in a form satisfactory to the District and subject to the conditions set forth herein; and

WHEREAS, the District and the Developer are entering into this Acquisition Agreement to ensure the timely completion and operation of the Improvements.

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

1. INCORPORATION OF RECITALS. The recitals stated above are true and correct and by this reference are incorporated as a material part of this Acquisition Agreement.

2. WORK PRODUCT. The District agrees to pay, but only to the extent funds are available for such purpose, the actual reasonable cost incurred by the Developer in preparation of the Work Product in accordance with the provisions of this Acquisition Agreement. The Developer shall provide copies of any and all invoices, bills, receipts, or other evidence of costs incurred by the Developer for the Work Product. The parties agree to cooperate and use good faith and best efforts to undertake and complete the acquisition process contemplated by this Acquisition Agreement on such date or dates as the parties may jointly agree upon, but all must be no later than the date of the third anniversary of the issuance of the Series 2020A Bonds (“Acquisition Date”). The parties agree that separate or multiple Acquisition Dates may be established for any portion of the acquisitions contemplated by this Acquisition Agreement. The District Engineer shall review all evidence of cost and shall certify to the District Board the total actual amount of cost, which in the District Engineer’s sole opinion is reasonable for the Work Product. The District Engineer’s opinion as to cost shall be set forth in an Engineer’s Certificate which shall accompany the requisition for the funds from the District’s bond trustee. In the event that the Developer disputes the District Engineer’s opinion as to cost, the District and the Developer agree to use good faith efforts to resolve such dispute. If the parties are unable to resolve any such dispute, the parties agree to jointly select a third party engineer whose decision as to any such dispute shall be binding upon the parties. Such a decision by a third-party engineer shall be set forth in an Engineer’s Affidavit which shall accompany the requisition for the funds from the District’s bond trustee. The parties acknowledge that the Work Product is being acquired for use by the District in connection with the construction of the Improvements.

A. The Developer agrees to convey to the District the Work Product upon payment of the sums determined to be reasonable by the District Engineer

and approved by the District's Board of Supervisors pursuant to and as set forth in this Acquisition Agreement.

- B. The Developer agrees to release to the District all right, title, and interest which the Developer may have in and to the above described Work Product, as well as all common law, statutory, and other reserved rights, including all copyrights in the Work Product and extensions and renewals thereof under United States law and throughout the world, and all publication rights and all subsidiary rights and other rights in and to the Work Product in all forms, mediums, and media, now known or hereinafter devised. To the extent determined necessary by the District, the Developer shall obtain all releases from any professional providing services in connection with the Work Product to enable the District to use and rely upon the Work Product. Such releases may include, but are not limited to, any architectural, engineering, or other professional services. Such releases shall be provided in a timely manner in the reasonable discretion of the District.
- C. The Developer acknowledges the District's right to use and rely upon the Work Product for any and all purposes.
- D. The Developer hereby agrees to indemnify and hold the District harmless from any cost, judgment, claim or other action arising as a result of Developer's negligence or willful misconduct relating to the Work Product which renders such Work Product unfit for the uses intended by the District, which uses the Developer hereby acknowledges and understands.
- E. The Developer agrees to use good faith and commercially reasonable efforts to cause to be provided to the District, either by assignment or directly from such third parties as may be necessary and desirable to the mutual satisfaction of the parties hereto, a warranty that the Work Product is fit for the purposes to which it will be put by the District, as generally described by the District Engineer, whether by formal Engineer's Report or by informal description. The District agrees to seek primary recovery for any loss from any person or entity who has provided an applicable warranty that has been assigned to the District.
- F. The District agrees to allow the Developer access to and use of the Work Product without the payment of any fee by the Developer. However, to the extent the Developer's access to and use of the Work Product causes the District to incur any cost or expense, such as copying costs, the Developer agrees to pay such cost or expense.

3. ACQUISITION OF DISTRICT IMPROVEMENTS. The Developer has constructed, is constructing, or will construct and complete, the Improvements generally described in Exhibit

“A”. When a portion of the Improvements is complete and is ready for conveyance by the Developer to the District, the Developer shall notify the District in writing, describing the nature of the improvement, its general location, and its estimated cost. Any real property interests necessary for the functioning of the Improvements to be acquired under this paragraph shall be reviewed and conveyed in accordance with the provisions of section 4. The District Engineer, in consultation with counsel, shall determine in writing whether or not the infrastructure to be conveyed is a part of the Improvements contemplated for acquisition by the District and, if so, shall provide Developer with a list of items necessary to complete the acquisition. Each such acquisition shall also be subject to the engineering review and certification process described in section 2. The District Manager shall determine, in writing, whether the District has, based on the Developer’s estimate of cost, sufficient unencumbered funds to acquire the improvement.

- A. All documentation of any acquisition (e.g., bills of sale, receipts, maintenance bonds, as-built, evidence of costs, deeds or easements, etc.) shall be to the satisfaction of the District. If any item acquired is to be conveyed to a third-party governmental body, then the Developer agrees to cooperate and provide such certifications or documents as may be required by that governmental body, if any.
- B. The District Engineer shall certify as to the actual cost of any improvement built or constructed by or at the direction of the Developer, and the District shall pay no more than the actual cost incurred, or the current value thereof, whichever is less, as determined by the District Engineer.
- C. The Developer agrees to cooperate fully in the transfer of any permits to the District or a governmental entity with maintenance obligations for any Improvements conveyed pursuant to this Acquisition Agreement.

4. CONVEYANCE OF REAL PROPERTY.

- A. Conveyance. The Developer agrees that it will convey, or cause to be conveyed by others, to the District at or prior to the Acquisition Date, and as determined solely by the District by a special warranty deed, easement or other instrument acceptable to the District’s Board of Supervisors together with a metes and bounds or platted legal description, the Real Property upon which the Improvements are constructed or which are necessary for the operation and maintenance of, and access to the Improvements or required to be conveyed to Osceola County or any other governmental entity. The parties agree that in no event shall the purchase price for the Real Property exceed the value of an appraisal or similar third-party report (prepared by a qualified appraiser or appraisal company) or other evidence acceptable to Bond Counsel and District staff, obtained by the Developer or the District for this purpose. The parties agree that the purchase price shall not include amounts attributable to the value of improvements on the Property and other improvements serving the

Property that have been, or will be, funded by the District. The District may determine in its reasonable discretion that fee title is not necessary and in such cases shall accept such other interest in the lands upon which the Improvements are constructed as the District deems acceptable. If requested and necessary, such special warranty deed or other instrument shall be subject to a reservation by Developer of its right and privilege to use the area conveyed to construct any Improvements and any future improvements to such area for any related purposes (including, but not limited to, construction traffic relating to the construction of the Development) not inconsistent with the District's use, occupation or enjoyment thereof. The Developer shall pay the cost for recording fees and documentary stamps required, if any, for the conveyance of the lands upon which the Improvements are constructed, including costs, if any, for the further conveyance by the District to Osceola County or any other governmental entity. The Developer shall be responsible for all taxes and assessments levied on the lands upon which the Improvements are constructed until such time as the Developer conveys all said lands to the District. At the time of conveyance, the Developer shall provide, at its expense, an owner's title insurance policy in a form satisfactory to the District (or title search, if the District determines, in its sole discretion, a title policy is not necessary). In the event the title search reveals exceptions to title which render title unmarketable or which, in the District's reasonable discretion, would materially interfere with the District's use of such lands, the Developer shall cure, or cause to be cured, such defects at no expense to the District.

- B. Boundary or Other Adjustments. Developer and the District agree that reasonable future boundary adjustments may be made as deemed necessary by both parties in order to accurately describe lands conveyed to the District and lands which remain in Developer's ownership. The parties agree that any land transfers made to accommodate such adjustments shall be accomplished by donation. However, the party requesting such adjustment shall pay any transaction costs resulting from the adjustment, including but not limited to taxes, title insurance, recording fees or other costs. Developer agrees that if a court or other governmental entity determines that a re-platting of the lands within the District is necessary, Developer shall pay all costs and expenses associated with such actions.

5. INDEMNIFICATION. For all actions or activities which occur prior to the date of the acquisition of the relevant real property, improvement or work product hereunder, the Developer agrees to indemnify and hold harmless the District and its officers, staff, agents and employees from any and all liability, claims, actions, suits or demands by any person, corporation or other entity for injuries, death, property damage or claims of any nature arising out of, or in connection with, this Acquisition Agreement, including litigation or any appellate proceedings with respect thereto, irrespective of the date of the initiation or notice of the claim,

suit, etc.; provided, however, that the Developer shall not indemnify the District for a default by the District under this Acquisition Agreement.

6. DEFAULT. A default by either party under this Acquisition Agreement shall entitle the other to all remedies available at law or in equity, which may include, but not be limited to, the right of damages and/or specific performance.

If the Developer fails to keep, observe or perform any of the agreements, terms, covenants or representations, or otherwise is in default of this Acquisition Agreement, the District shall give written notice to Developer (at the address listed in the first paragraph of this Acquisition Agreement), and the Developer shall have thirty (30) days to cure such default (which time may be extended by the District in its sole discretion), unless a shorter time to cure is mandated by applicable law or regulation.

7. ENFORCEMENT OF AGREEMENT. In the event that either party is required to enforce this Acquisition Agreement by court proceedings or otherwise, then the parties agree that the prevailing party shall be entitled to recover from the other, its reasonable attorneys' fees and costs incurred for trial, alternative dispute resolution, or appellate proceedings.

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

9. AMENDMENTS. Amendments to and waivers of the provisions contained in this Acquisition Agreement may be made only by an instrument in writing which is executed by all parties hereto.

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

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

12. THIRD PARTY BENEFICIARIES. This Acquisition Agreement is solely for the benefit of the District and the Developer and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Acquisition Agreement. Nothing in this Acquisition Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the District and the Developer any right, remedy, or claim under or by reason of this Acquisition Agreement or any of the provisions or conditions of this Acquisition Agreement; and all of the provisions, representations, covenants,

and conditions contained in this Acquisition Agreement shall inure to the sole benefit of and shall be binding upon the District and the Developer and their respective successors and assigns. Notwithstanding the foregoing, nothing in this paragraph shall be construed as impairing or modifying the rights of any holders of bonds issued by the District for the purpose of acquiring any Work Product, real property, or portion of the Improvements, and the Trustee for the Series 2020A Bonds, on behalf of the owners of the Series 2020A Bonds, shall be a direct third party beneficiary of the terms and conditions of this Acquisition Agreement and shall be entitled to cause the District to enforce the Developer's obligations hereunder.

13. ASSIGNMENT. This Acquisition Agreement may be assigned, in whole or in part, by either party only upon the written consent of the other, which consent shall not be unreasonably withheld and upon the written consent of the Trustee acting at the direction of Series 2020 Bonds' Bondholders owning a majority of the aggregate principal amount of the Series 2020 Bonds outstanding. Such consent shall not be required in the event of a sale of the majority of the lands within the Development then owned by the Developer pursuant to which the unaffiliated purchaser agrees to assume any remaining obligations of the Developer under this Acquisition Agreement.

14. CONTROLLING LAW. This Acquisition Agreement and the provisions contained in this Acquisition Agreement shall be construed, interpreted, and controlled according to the laws of the State of Florida.

15. EFFECTIVE DATE. This Acquisition Agreement shall be effective upon its execution by the District and the Developer.

16. TERMINATION. This Acquisition Agreement may be terminated by the District without penalty, and without any payments or other consideration whatsoever, in the event that the District does not issue its proposed Series 2020A Bonds.

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

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

19. SOVEREIGN IMMUNITY. The Developer agrees that nothing in this Acquisition Agreement shall constitute or be construed as a waiver of the District's limitations on liability contained in Section 768.28, *Florida Statutes*, or other statutes or laws.

20. HEADINGS FOR CONVENIENCE ONLY. The descriptive headings in this Acquisition Agreement are for convenience only and shall not control nor affect the meaning or construction of any of the provisions of this Acquisition Agreement.

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

[COUNTERPART SIGNATURE PAGES TO FOLLOW]

**COUNTERPART SIGNATURE PAGE TO
AGREEMENT BY AND BETWEEN THE
WINDWARD COMMUNITY DEVELOPMENT DISTRICT
AND THE DEVELOPER, REGARDING
THE ACQUISITION OF CERTAIN
WORK PRODUCT AND INFRASTRUCTURE**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed, sealed and attested on their behalf by duly authorized representatives, all as of the date first set forth above.

WITNESSES:

Print:_____

Print:_____

DEVELOPER:

**K. HOVNANIAN AT MYSTIC DUNES,
LLC**, a Florida limited liability company

By:_____

Name:_____

Title:_____

STATE OF FLORIDA

COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ___ day of _____, 2020, by _____ as _____ of **K. HOVNANIAN AT MYSTIC DUNES, LLC**, a Florida limited liability company on behalf of the limited liability company. Said person is personally known to me or has produced a valid driver's license as identification.

Notary Public; State of _____

Print Name:_____

My Commission Expires:_____

My Commission No.:_____

**COUNTERPART SIGNATURE PAGE TO
AGREEMENT BY AND BETWEEN THE
WINDWARD COMMUNITY DEVELOPMENT DISTRICT
AND THE DEVELOPER, REGARDING
THE ACQUISITION OF CERTAIN
WORK PRODUCT AND INFRASTRUCTURE**

ATTEST:

DISTRICT:

**WINDWARD COMMUNITY
DEVELOPMENT DISTRICT**, a local unit
of special purpose government

Print: _____

By: _____

Name: _____

Title: _____

**STATE OF FLORIDA
COUNTY OF OSCEOLA**

The foregoing instrument was acknowledged before me by means of [] physical presence or [] online notarization, this ____ day of _____, 2020, by _____, as _____ of the Board of Supervisors, and by _____ as _____ of the **WINDWARD COMMUNITY DEVELOPMENT DISTRICT**, a community development district organized under the laws of the State of Florida, on behalf of the community development district. Said persons' are both personally known to me or have each produced a valid driver's license as identification.

Notary Public; State of Florida

Print Name: _____

My Commission Expires: _____

My Commission No.: _____

EXHIBIT “A”

Improvements to be Acquired

1. Surface Water Pumps
2. Stormwater Facilities
3. Any other public improvements described by the Engineer and acceptable to the District

together with real property underlying the Improvements.

EXHIBIT “B”

Work Product

All architectural, engineering, landscape design, construction and other professional work product related to the Improvements including but not limited to plans, specifications, designs, drawings, permit applications and permits, surveys, and the like.

**COMPLETION AGREEMENT BETWEEN
WINDWARD COMMUNITY DEVELOPMENT DISTRICT
AND K. HOVNANIAN AT MYSTIC DUNES, LLC REGARDING THE COMPLETION
AND CONVEYANCE OF CERTAIN IMPROVEMENTS**

THIS COMPLETION AGREEMENT BETWEEN WINDWARD COMMUNITY DEVELOPMENT DISTRICT AND K. HOVNANIAN AT MYSTIC DUNES, LLC REGARDING THE COMPLETION AND CONVEYANCE OF CERTAIN IMPROVEMENTS (this "Completion Agreement") is made and entered into as of _____, 2020, by and between **WINDWARD COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, located in Osceola County, Florida (the "District"), and **K. HOVNANIAN AT MYSTIC DUNES, LLC**, a Florida limited liability company, the landowner and developer of the lands within the District (the "Developer").

RECITALS

WHEREAS, the District was established pursuant to Chapter 190, *Florida Statutes*, for the purpose of planning, financing, constructing, operating and/or maintaining certain infrastructure; and

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

WHEREAS, the Developer is the developer and primary owner of the Windward Community Development (the "Master Development") within the District boundaries (the "Development") is being developed in phases; and

WHEREAS, the Developer is the developer and primary owner of a portion of the Development designated as the "Series 2020A Assessment Area," and identified in **EXHIBIT "A,"** which is attached hereto and incorporated herein by this reference (the "Lands"); and

WHEREAS, the District is issuing its \$14,000,000 Windward Community Development District Special Assessment Revenue Bonds, Series 2020A-1 and 2020A-2 (collectively, the "Series 2020A Bonds") for (i) the payment of the costs of acquiring and/or constructing all or a portion of the infrastructure improvements for the District's 2020A Project, as described as of the date hereof in the Windward Community Development District Engineer's Report for Capital Improvements, dated April 27, 2017, together with that certain Windward Community Development District First Supplemental Year 2020 Engineer's Report, dated August 10, 2020, attached hereto as **EXHIBIT "B"** and incorporated herein by this reference (collectively, the "Engineer's Report"), (ii) the payment of certain costs associated with the issuance of the Series 2020A Bonds; (iii) the payment of a portion of the interest accruing on the Series 2020A Bonds; and (iv) funding of the 2020A-1 Reserve Account and the 2020A-2 Reserve Account; and

WHEREAS, the District plans to construct, complete the construction and/or acquire all or a portion of the 2020A Project, as more specifically described and identified in the Engineer's Report; and

WHEREAS, the Developer acknowledges that the Development will benefit from the timely completion of the 2020A Project; and

WHEREAS, the Developer and the District acknowledge that the funds available through the Series 2020A Bonds will not be sufficient to complete the design, construction and/or acquisition of the 2020A Project; and

WHEREAS, the Developer agrees to complete the 2020A Project or to provide to the District sufficient funds to allow it to timely complete the 2020A Project.

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

1. INCORPORATION OF RECITALS. The recitals stated above are true and correct and by this reference are incorporated as a material part of this Completion Agreement. Any capitalized terms used and not defined herein, shall have those definitions as set forth in the Master Trust Indenture, dated November 1, 2018, and the Second Supplemental Trust Indenture, dated October 1, 2020, between the District and U.S. Bank National Association, as Trustee.

2. COMPLETION OF PROJECT. The Developer and the District agree and acknowledge that the funds available from the Series 2020A Bonds are not anticipated to be sufficient to complete the 2020A Project. At such time as acquisition and construction funds available from the Series 2020A Bonds are expended, the Developer hereby agrees to complete and convey to the District, cause to be completed, or advance moneys, from time to time, to the District for deposit with the Trustee into the 2020A Acquisition and Construction Account, so that there are sufficient moneys on deposit therein to complete the 2020A Project, including, but not limited to, all acquisition, construction and administrative, legal, warranty, engineering, permitting or other related soft costs (the "Remaining Project"), including but not limited to costs pursuant to existing contracts of the District or the Developer, including change orders thereto, contracts assigned by the Developer to the District, or future or anticipated contracts or planned conveyances. Nothing herein shall cause or be construed to require the District to issue additional bonds or indebtedness of any kind to provide funds for any portion of the Remaining Project. Nothing herein shall cause or be constructed to require the Developer to complete or cause to be completed, or to advance moneys to the District for any infrastructure improvements not described as part of the 2020A Project. The District and the Developer hereby acknowledge and agree that the District's execution of this Completion Agreement constitutes the manner and means by which the District has elected to provide any and all portions of the Remaining Project not funded by District bonds or other indebtedness.

(a) When all or any portion of the Remaining Project is the subject of an existing District contract, the Developer shall timely provide funds directly to the

District in an amount sufficient to complete the Remaining Project pursuant to such contract, including change orders thereto.

(b) When any portion of the Remaining Project is not the subject of an existing District contract, the Developer may choose to complete, cause to be completed, or provide funds to the District in an amount sufficient to allow the District to complete or cause to be completed, or acquire, the Remaining Project, subject to a formal determination by the Board of Supervisors that the option selected by the Developer will not adversely impact the District, and is in the District's best interests. If the Developer elects to complete the Remaining Project, it shall immediately upon completion, convey the improvements and real property to the District.

3. OTHER CONDITIONS AND ACKNOWLEDGMENTS AND AGREEMENTS.

(a) The District and the Developer agree and acknowledge that the exact location, size, configuration and composition of the 2020A Project may change from that described in the Engineer's Report, depending upon final design of the Development, permitting or other regulatory requirements over time, or other factors. Material changes to the 2020A Project shall be made by a written amendment to the Engineer's Report, which shall include an estimate of the cost of such changes, subject to the prior written consent of the Trustee, acting at the direction of the bondholders owning a majority of the aggregate principal amount of the Series 2020A Bonds then outstanding, and the Developer.

(b) The District and the Developer agree and acknowledge that any and all portions of the Remaining Project which are constructed, or caused to be constructed, acquired, or otherwise completed by the Developer for the benefit of the District shall be conveyed to the District or such other appropriate unit of local government as is designated in the Engineer's Report or required by governmental regulation or development order or approval. All conveyances to a unit of local government or to the District shall be in accordance with the requirements, resolutions and ordinances of the unit of local government or District, respectively, or shall be in accordance with an agreement or other formal approval between the District and the appropriate unit of local government.

(c) Notwithstanding anything to the contrary contained in this Completion Agreement, the payment or performance by the Developer of its completion obligations hereunder is expressly subject to the scope, configuration, size and/or composition of the 2020A Project not materially changing from the date hereof, without the consent of the Developer, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, the Developer's consent is not necessary and the Developer must meet its completion obligations when the scope, configuration, size and/or composition of the 2020A Project is materially changed in response to a mandatory requirement imposed by a regulatory agency having jurisdiction over the Development.

(d) The Developer agrees and acknowledges that any and all portions of the Remaining Project which are to be funded, constructed, caused to be constructed, acquired, conveyed or otherwise completed by the Developer (including any real property conveyances related to the 2020A Project) for the benefit of the District, as described herein, shall be diligently completed in a timely manner to allow for the project to function as intended in the Engineer's Report.

(e) The Developer agrees and acknowledges that it shall obtain and maintain any and all permits, licenses and approvals required in connection with construction and/or acquisition of the 2020A Project (the "Permits"), and, if any of the Permits are not maintained in full force and effect, expires or are cancelled and not reinstated or renewed within sixty (60) days of such cancellation or expiration, the Developer hereby grants the District the authority to cure the same, and the Developer shall promptly repay the District all costs incurred by the District in doing so.

4. DEFAULT AND PROTECTION AGAINST THIRD-PARTY INTERFERENCE. A default by the Developer under this Completion Agreement shall entitle the District to all remedies available at law or in equity, which may include, but not be limited to, the right of damages (except special consequential or punitive damages) and/or specific performance. Except as expressly otherwise provided herein, the District shall be solely responsible for enforcing its rights under this Completion Agreement against any interfering third party. Except as expressly otherwise provided herein, nothing contained in this Completion Agreement shall limit or impair the District's right to protect its rights from interference by a third party to this Completion Agreement.

If the Developer fails to keep, observe or perform any of the agreements, terms, covenants or representations, or otherwise is in default of this Completion Agreement, the District shall give written notice to Developer (at the address listed in Section 7 of this Completion Agreement), and the Developer shall have sixty (60) days to cure such default (which time may be extended by the District in its sole discretion), unless a shorter time to cure is mandated by applicable law or regulation.

5. AMENDMENTS. Amendments to and waivers of the provisions contained in this Completion Agreement may be made only by an instrument in writing which is executed by both the District and the Developer. Additionally, this Completion Agreement may not be amended without the prior written consent of the Trustee acting at the direction of the Series 2020A Bonds' Bondholders owning a majority of the aggregate principal amount of the Series 2020A Bonds then outstanding.

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

7. **NOTICES.** All notices, requests, consents and other communications under this Completion Agreement (“Notices”) shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or overnight delivery service, to the parties, as follows:

If to District: Windward Community Development District
219 East Livingston Street
Orlando, Florida 32801
Attention: District Manager
Telephone: (407) 841-5524
Email: gflint@gmscfl.com

With a copy to: Latham, Luna, Eden & Beaudine, LLP
111 North Magnolia Avenue, Suite 1400
Orlando, Florida 32801
Attention: Jan Albanese Carpenter, Esq.
Telephone: (407) 481-5800
Email: jcarpenter@lathamluna.com

If to Developer: K. Hovnanian at Mystic Dunes, LLC
2301 Lucien Way, Suite 260
Maitland, Florida 32751
Attention: Justin Allen
Telephone: (321) 263-2608
Email: Juallen@KHOV.COM

With a copy to: Developers Counsel

Attention:
Telephone: ()
Email:

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

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

9. THIRD-PARTY BENEFICIARIES. This Completion Agreement is solely for the benefit of the District and the Developer and no right or cause of action shall accrue upon or by reason to or for the benefit of any third party not a formal party to this Completion Agreement. Nothing in this Completion Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the District and the Developer any right, remedy, or claim under or by reason of this Completion Agreement or any of the provisions or conditions of this Completion Agreement, and all of the provisions, representations, covenants, and conditions contained in this Completion Agreement shall inure to the sole benefit of and shall be binding upon the District and the Developer and their respective successors, and assigns. Notwithstanding the foregoing or anything in this Completion Agreement to the contrary, the Trustee for the Series 2020A Bonds, on behalf of the owners of the Series 2020A Bonds, shall be a direct third-party beneficiary of the terms and conditions of this Completion Agreement and shall be entitled to cause the District to enforce the Developer's obligations hereunder. The Trustee shall not be deemed to have assumed any obligation under this Agreement.

10. ASSIGNMENT. Neither the District nor the Developer may assign this Completion Agreement or any monies to become due hereunder without the prior written approval of the other, which consent shall not be unreasonably withheld. Assignment is subject to the prior written consent of the Trustee acting at the direction of the Bondholders owning a majority of the aggregate principal amount of the Series 2020A Bonds then outstanding, unless the assignment constitutes a bulk sale of the majority of remaining developable land and the assignee assumes Developer's obligations hereunder.

11. CONTROLLING LAW AND VENUE. This Completion Agreement and the provisions contained in this Completion Agreement shall be construed, interpreted, and controlled according to the laws of the State of Florida. The Parties hereby acknowledge and agree that, in the event legal action is instituted to enforce this Completion Agreement, the Developer consents to and by execution hereof submit to the jurisdiction of any state court sitting in or for Osceola County, Florida.

12. EFFECTIVE DATE. This Completion Agreement shall be effective as of the date of the issuance of the Series 2020A Bonds.

13. PUBLIC RECORDS. The Developer understands and agrees that all documents of any kind provided to the District in connection with this Completion Agreement are public records and are treated as such in accordance with Florida law.

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

15. SOVEREIGN IMMUNITY. Developer agrees that nothing in this Completion Agreement shall constitute or be construed as a waiver of the District's limitations on liability contained in Section 768.28, *Florida Statutes*, as amended or other statutes or law.

16. HEADINGS FOR CONVENIENCE ONLY. The descriptive headings in this Completion Agreement are for convenience only and shall not control nor affect the meaning or construction of any of the provisions of this Completion Agreement.

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

[SIGNATURE PAGE TO FOLLOW]

**SIGNATURE PAGE FOR
COMPLETION AGREEMENT BETWEEN
WINWARD COMMUNITY DEVELOPMENT DISTRICT AND
K. HOVNANIAN AT MYSTIC DUNES, LLC REGARDING THE
COMPLETION AND CONVEYANCE OF CERTAIN IMPROVEMENTS**

IN WITNESS WHEREOF, the parties hereto have caused this Completion Agreement to be signed, sealed and attested on their behalf by duly authorized representatives, all as of the date first set forth above.

ATTEST:

**WINDWARD COMMUNITY
DEVELOPMENT DISTRICT**

George S. Flint
Secretary

By: _____
Print: _____
Chairperson, Board of Supervisors

**STATE OF FLORIDA
COUNTY OF OSCEOLA**

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization this _____ day of _____ 2020, by _____, as Chairperson of the Board of Supervisors, and George S. Flint as Secretary of the **WINDWARD COMMUNITY DEVELOPMENT DISTRICT**, a community development district organized under the laws of the State of Florida, on behalf of the community development district, who are both ☐ personally known to me, or ☐ have produced a valid driver's license as identification.

Notary Public; State of Florida

Print Name: _____

My Commission Expires: _____

My Commission No.: _____

**SIGNATURE PAGE FOR
COMPLETION AGREEMENT BETWEEN
WINWARD COMMUNITY DEVELOPMENT DISTRICT AND
K. HOVNANIAN AT MYSTIC DUNES, LLC REGARDING THE
COMPLETION AND CONVEYANCE OF CERTAIN IMPROVEMENTS**

WITNESSES:

K. HOVNANIAN AT MYSTIC DUNES, LLC,
a Florida limited liability company

Print: _____

By: _____

Print: _____

Print: _____

Title: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ___ day _____, 2020 by _____, as _____, of **K. HOVNANIAN AT MYSTIC DUNES, LLC**, a Florida limited liability company, on behalf of the company, who is ☐ personally known to me or ☐ has produced a valid driver's license as identification.

Notary Public; State of Florida

Print Name: _____

My Commission Expires: _____

My Commission No.: _____

EXHIBIT “A”

SERIES 2020A ASSESSMENT AREA

EXHIBIT “B”

ENGINEER’S REPORT

THIS INSTRUMENT PREPARED BY
AND RETURN TO:
Jan Albanese Carpenter, Esq.
Latham, Luna, Eden & Beaudine, LLP
111 N. Magnolia Avenue, Suite 1400
Orlando, Florida 32801

COLLATERAL ASSIGNMENT AND ASSUMPTION OF DEVELOPMENT RIGHTS RELATING TO THE SERIES 2020A-1 AND 2020A-2 BONDS

This **COLLATERAL ASSIGNMENT AND ASSUMPTION OF DEVELOPMENT RIGHTS RELATING TO SERIES 2020A-1 AND 2020A-2 BONDS** (this “**Assignment**”) is made this ___ day of _____, 2020, by **K. HOVNANIAN AT MYSTIC DUNES, LLC**, a Florida limited liability company (the “**Developer**”), in favor of the **WINDWARD COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special purpose government created pursuant to Chapter 190, *Florida Statutes*, and located in Osceola County, Florida (together with its successors and assigns, the “**District**”).

RECITALS

WHEREAS, the District proposes to issue its \$14,000,000 Windward Community Development District Special Assessment Revenue Bonds, Series 2020A-1 and Series 2020A-2 (collectively, the “**Series 2020A Bonds**”) to finance certain public infrastructure which will provide special benefit to certain lands within the real property described in **Exhibit “A”** (the “**Series 2020A Assessment Area**”), attached hereto and incorporated herein by this reference, which 2020A Assessment Area is located within the geographical boundaries of the District; and

WHEREAS, the security for the repayment of the Series 2020A Bonds are the special assessments levied against the Series 2020A Assessment Area (the “**Series 2020A Assessments**”); and

WHEREAS, the purchasers of the Series 2020A Bonds anticipate that the lands constituting the Series 2020A Assessment Area will be developed into 554 platted lots (each a “**Lot**”) in accordance with the Master Assessment Methodology for Windward Community Development District, dated April 27, 2017, as supplemented by the Amended Master Assessment Methodology for Windward Community Development District, dated August 19, 2020 (collectively, the “**Assessment Methodology**”), which describes the methodology for allocation of the Series 2020A Assessments to the lands within the Series 2020A Assessment Area, and after being developed and platted, sold to homebuilders or end-users (“**Development Completion**”);

WHEREAS, the public infrastructure necessary to achieve Development Completion, as described in the Windward Community Development District Engineer’s Report for Capital Improvements, dated April 27, 2017, together with that certain Windward Community Development District First Supplemental Year 2020 Engineer’s Report, dated August 10, 2020,

both prepared by Poulos and Bennett, LLC (copies of which are on file in the District's office and are collectively referred to herein as the "**Engineer's Report**"), is referred to as the 2020A Project; and

WHEREAS, the failure to achieve Development Completion may increase the likelihood that the purchasers of the Series 2020A Bonds will not receive the full benefit of their investment in the Series 2020A Bonds; and

WHEREAS, during the period in which the Series 2020A Assessment Area is being developed and has yet to reach Development Completion, there is an increased likelihood that adverse changes to local or national economic conditions may result in a default in the payment of the Series 2020A Assessments; and

WHEREAS, in the event of default in the payment of the Series 2020A Assessments or an Event of Default hereunder, the District has certain remedies with respect to the lien of the Series 2020A Assessments as more particularly set forth herein (collectively, the "**Remedial Rights**"); and

WHEREAS, in the event the District exercises its Remedial Rights, the District will require the assignment of certain Development Rights (defined in Section 2 below), to complete development of the 2020A Project within the Series 2020A Assessment Area to the extent that such Development Rights have not been previously assigned, transferred, or otherwise conveyed to: (1) an unaffiliated residential homebuilder or a retail homebuyer in the ordinary course of business; (2) Osceola County; (3) the District; (4) any applicable homeowner's association; (5) any other governmental entity or association as may be required by applicable permits, government approvals, plats, entitlements, or regulations associated with the 2020A Project or affecting the Series 2020A Assessment Area; or (6) any person that prepays all Series 2020A Assessments relating to such conveyed land ("**Debt Free Land**") (each of (1) through (6) constitute a "**Partial Transfer**");

WHEREAS, in the event of a transfer, conveyance or sale of any portion of the Series 2020A Assessment Area that is not a Partial Transfer, the successors-in-interest to the real property so conveyed by the Developer shall be subject to this Assignment, which shall be recorded in the Official Records of Osceola County, Florida; and

WHEREAS, this Assignment is not intended to impair or interfere with the development of the 2020A Project.

NOW, THEREFORE, in consideration of the above recitals which the parties hereby agree are true and correct and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Developer and the District agree as follows:

1. **Incorporation of Recitals and Exhibit.** The recitals set forth above and the Exhibit attached hereto are incorporated herein by this reference as if restated in their entirety.

2. **Collateral Assignment.** The Developer hereby collaterally assigns to the District, to the extent assignable and to the extent that they are owned or controlled by Developer as of the execution of this Assignment, or as may be assigned in the future, all of the Developer's

development rights and contract rights relating to the 2020A Project (the “**Development Rights**”), as security for the Developer’s payment and performance and discharge of its obligation to pay the Series 2020A Assessments levied against the property within the 2020A Project owned by the Developer as of the date of this Assignment. This Assignment is made on an exclusive basis to the extent that the Development Rights pertain solely to the Series 2020A Assessment Area or the 2020A Project, except as otherwise set forth in this Assignment, and is made on a non-exclusive basis to the extent that the Development Rights pertain to the Series 2020A Assessment Area or the 2020A Project, on the one hand, and other portions of the Development, on the other hand. The Development Rights shall include all of the following to the extent that they pertain to the Series 2020A Assessment Area, but shall specifically exclude any such portion of the Development Rights which relate solely to any portion of the Series 2020A Assessment Area which have been conveyed or dedicated, or is in the future conveyed or dedicated as a Partial Transfer:

- (a) Zoning approvals, density approvals and entitlements, concurrency capacity certificates and development agreement rights;
- (b) Engineering and construction plans and specifications for grading, roadways, site drainage, stormwater drainage, signage, walkways, water distribution, wastewater collection, and other improvements;
- (c) Preliminary and final site plans;
- (d) Architectural plans and specifications for public buildings, landscaping, and other public improvements to the Series 2020A Assessment Area or the 2020A Project (other than house plans);
- (e) Permits, approvals, resolutions, variances, orders, easements (including conservation easements), licenses, and franchises granted by governmental authorities, or any of their respective agencies, for or affecting the development of the 2020A Project and construction of improvements thereon and off-site improvements to the extent such off-site improvements are necessary or required to complete the development of the 2020A Project;
- (f) Contracts with engineers, architects, land planners, landscape architects, consultants, contractors, and suppliers for or relating to the construction of the 2020A Project or the construction of public improvements on the 2020A Project;
- (g) All rights under the DRI to the extent such rights are severable and are necessary or required for completion of the 2020A Project or the construction of public improvements in the Series 2020A Assessment Area;
- (h) Contracts and agreements with private utility providers to provide utility services to the Series 2020A Assessment Area;
- (i) Surveys, assessments, appraisals, investigations and other reports related to the development of the Series 2020A Assessment Area or the construction of public improvements thereon;

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

(k) Declarant rights under any declaration of covenants, conditions and restrictions recorded upon the Series 2020A Assessment Area.

The Development Rights specifically exclude any portion of the Development Rights listed above which relate solely to (i) Lots conveyed to unaffiliated homebuilders or end-users other than as to public improvements or easements thereon, (ii) any property which has been conveyed, or is in the future (but prior to enforcement of this Assignment) conveyed, to the County, the District, any unaffiliated homebuilder, any utility provider, governmental or quasi-governmental entity, any applicable homeowner's association or other governing entity or association as may be required by applicable permits, approvals, plats, entitlements or regulations affecting the District, if any, or other Partial Transfer, (ii) any Debt Free Land, or (iii) lands outside the District other than off-site improvements required to be constructed or provided by the Developer as a condition to any of its Development Rights that have not been conveyed to a governmental entity.

This Assignment is not intended to impair or interfere with the development of the 2020A Project and shall only be inchoate until becoming an effective and absolute assignment and assumption of the Development Rights, which shall occur upon failure of the Developer to pay any portion of the Series 2020A Assessments levied against the Series 2020A Assessment Area owned by the Developer resulting in a transfer of title to such lands or an Event of Default and the District's exercise of its Remedial Rights on account thereof; provided, however, that such assignment shall only be effective and absolute (i) to the extent that this Assignment has not been terminated earlier pursuant to the provisions of this Assignment, and (ii) as to those Development Rights with respect to which a Partial Transfer has not previously occurred.

3. **Warranties by Developer.** Developer represents and warrants to District that:

(a) Other than in connection with the sale of Lots located within the Series 2020A Assessment Area, Developer has made no assignment of the Development Rights to any person other than the District.

(b) During the Term (as defined in Section 8 below) of this Assignment, any transfer, conveyance or sale of the Series 2020A Assessment Area shall subject any and all affiliated entities or successors-in-interest of the Developer to this Assignment, except to the extent of a Partial Transfer.

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

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

4. **Covenants.** Developer covenants with District that, during the Term:

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

(b) If and when this Assignment becomes absolute, the Development Rights include all of Developer's rights to modify the Development Rights, to terminate the Development Rights, and to waive or release the performance or observance of any obligation or condition of the Development Rights; unless such modification, termination, waiver or release affects any of the Development Rights which pertain to lands outside of the Series 2020A Assessment Area and/or do not relate to development of the 2020A Project, and/or solely relate to any portion of the Development Rights that were subject to a Partial Transfer.

(c) Developer agrees to maintain the Development Rights in full force and effect until Development Completion and to perform any and all actions necessary and use good faith efforts relating to any and all future creations, changes, extensions, revisions, modifications, substitutions, and replacements of the Development Rights, none of which actions or rights shall be limited by this Assignment except to the extent and as set forth in this Assignment.

5. **Event(s) of Default.** Any breach of the Developer's warranties contained in Section 3 hereof or breach of covenants contained in Section 4 hereof will, after the giving of notice and an opportunity to cure (which cure period shall be at least sixty (60) days and may be longer if the District, in the District's sole and reasonable discretion, agrees to a longer cure period), constitute an Event of Default under this Assignment.

6. **Remedies Upon Event of Default.** Upon an Event of Default, or upon the District's exercise of any of its Remedial Rights and the transfer of title to any portion of the Series 2020A Assessment Area that is owned by the Developer pursuant to a judgment of foreclosure entered by a court of competent jurisdiction in favor of the District (or its designee) or a deed in lieu of foreclosure to the District (or its designee) or the acquisition of title to such property through the sale of tax certificates, the District may, as the District's sole and exclusive remedies hereunder (but only with respect to the Development Rights pertaining to such portion of the Series 2020A Assessment Area subject to such judgment of foreclosure, deed in lieu of foreclosure, or tax deed) take any or all of the following actions, at the District's option:

(a) Perform any and all obligations of Developer relating to the Development Rights and exercise any and all rights of Developer therein as fully as Developer could.

(b) Initiate, appear in, or defend any action arising out of or affecting the Development Rights.

(c) Further assign any and all of the Development Rights to a third-party acquiring title to the property so acquired or any portion thereof on the District's or bondholders' behalf.

7. **Authorization.** Upon the occurrence and during the continuation of an Event of Default, Developer does hereby authorize and shall direct any party to any agreement relating to the Development Rights to tender performance thereunder to the District or its designee upon

written notice and request from the District. Any such performance in favor of the District or its designee shall constitute a full release and discharge to the extent of such performance as fully as though made directly to Developer, but not a release of Developer from any remaining obligations under this Assignment or under such agreement relating to the Development Rights.

8. **Term and Termination.** In the event that this Assignment does not become an effective and absolute assignment and assumption of the Development Rights, this Assignment will automatically terminate upon the earliest to occur of the following (the “**Term**”): (i) payment of the Series 2020A Bonds in full, (ii) Development Completion, or (iii) a Partial Transfer, but only to the extent of such Development Rights subject to such Partial Transfer.

9. **Third-Party Beneficiaries.** The Trustee for the Series 2020A Bonds, on behalf of the bondholders, shall be a direct third-party beneficiary of the terms and conditions of this Assignment and shall only be entitled to cause the District to enforce the Developer’s obligations hereunder. In the event that the District does not promptly take the Trustee’s written direction under this Assignment, or the District is otherwise in default under the Indenture governing the Series 2020A Bonds, the Trustee shall have the right to enforce the District’s rights hereunder directly. This Assignment is solely for the benefit of the parties set forth in this Section, and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any other third party. Except as specified herein, the Trustee shall not be deemed to have assumed any obligations hereunder.

10. **Amendment.** This Assignment may be modified in writing only by the mutual agreement of all parties hereto and, if in connection with any amendment that would materially affect the payment of the Series 2020A Bonds or the collection of the Series 2020A Assessments, the prior written consent of the Trustee acting on behalf of and at the direction of the bondholders owning a majority of the aggregate principal amount of the Series 2020A Bonds then-outstanding.

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

[Signatures on following pages.]

IN WITNESS WHEREOF, the Developer and the District have caused this Collateral Assignment and Assumption Agreement to be executed and delivered on the day and year first written above.

WITNESSES:

Signed, sealed and delivered in the presence of:

Print Name: _____

Print Name: _____

DEVELOPER:

K. HOVNANIAN AT MYSTIC DUNES, LLC,
a Florida limited liability company

By: _____

Printed Name: _____

Title: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ___ day of _____, 2020 by _____, as _____, of K. HOVNANIAN AT MYSTIC DUNES, LLC, a Florida limited liability company, on behalf of the company, who is ☐ personally known to me or ☐ has produced a valid driver's license as identification.

Notary Public; State of _____

Print Name: _____

My Commission Expires: _____

My Commission No.: _____

ATTEST:

Signed, sealed and delivered in the presence of:

Secretary/Assistant Secretary

WITNESS:

Print Name: _____

DISTRICT:

**WINDWARD COMMUNITY
DEVELOPMENT DISTRICT**

By: _____

Print: _____
Chairperson, Board of Supervisors

**STATE OF FLORIDA
COUNTY OF OSCEOLA**

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization this ____ day of _____ 2020 by _____, as _____, and by _____, as Secretary, of **WINDWARD COMMUNITY DEVELOPMENT DISTRICT**, a community development district organized under the laws of the State of Florida, on behalf of the community development district. They ☐ are both personally known to me or ☐ have each produced a valid driver's license as identification.

Notary Public; State of Florida

Print Name: _____

My Commission Expires: _____

My Commission No.: _____

Exhibit "A"

Legal Description of Lands Within the Series 2020A Assessment Area

THIS INSTRUMENT PREPARED BY
AND RETURN TO:

Jan Albanese Carpenter, Esq.
Latham, Luna, Eden & Beaudine, LLP
111 N. Magnolia Avenue, Suite 1400
Orlando, Florida 32801

**AGREEMENT BETWEEN DEVELOPER AND
WINDWARD COMMUNITY DEVELOPMENT DISTRICT
REGARDING THE TRUE UP AND PAYMENT
FOR SPECIAL ASSESSMENT BONDS, SERIES 2020A-1 AND 2020A-2**

THIS AGREEMENT BETWEEN DEVELOPER AND WINDWARD COMMUNITY DEVELOPMENT DISTRICT REGARDING THE TRUE UP AND PAYMENT FOR SPECIAL ASSESSMENT BONDS, SERIES 2020A-1 AND 2020A-2 (this “Agreement”) is made and entered into as of _____, 2020, by and between **WINDWARD COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, located in Osceola County, Florida (the “District”), and **K. HOVNANIAN AT MYSTIC DUNES, LLC** a Florida limited company, as landowner and developer of the lands within the District (the “Developer”, together with the District, the “Parties”).

RECITALS

WHEREAS, the District was established pursuant to Chapter 190, *Florida Statutes*, for the purpose of planning, financing, constructing, operating and/or maintaining certain infrastructure; and

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

WHEREAS, the portion of the Mystic Dunes DRI/PD (the “Master Development”) within the District boundaries (the “Development”) is being developed in phases; and

WHEREAS, the Developer is the developer and primary owner of the portion of the development designated as the “Series 2020A Assessment Area,” and more specifically identified in **Exhibit “A,”** which is attached hereto and incorporated herein by this reference; and

WHEREAS, the District is issuing its \$14,000,000 Windward Community Development District Special Assessment Revenue Bonds, Series 2020A-1 and Series 2020A-2 (collectively,

the “Series 2020A Bonds”) for (i) the payment of the costs of acquiring and/or constructing a portion of the infrastructure improvements for the District’s Series 2020A Assessment Area (the “2020A Project”), as defined below and described as of the date hereof in the Windward Community Development District Engineer’s Report for Capital Improvements, dated April 27, 2017, together with that certain Windward Community Development District First Supplemental Year 2020 Engineer’s Report, dated August 10, 2020, incorporated herein by this reference (collectively, the “Engineer’s Report”), (ii) the payment of certain costs associated with the issuance of the Series 2020A Bonds; (iii) the payment of a portion of the interest accruing on the Series 2020A Bonds; and (iv) funding of the 2020A-1 Reserve Account and the 2020A-2 Reserve Account; and

WHEREAS, the District plans to construct, complete the construction and/or acquire the 2020A Project as more specifically described in the Engineer’s Report (the “2020A Project”); and

WHEREAS, the Developer acknowledges that the Development will benefit from the timely completion and acquisition of the 2020A Project; and

WHEREAS, the District has taken certain steps necessary to impose special assessments upon the benefited lands within the Series 2020A Assessment Area (such benefited lands herein referred to as the “Benefited Lands”) as security for the Series 2020A Bonds; and

WHEREAS, the District’s special assessments securing the Series 2020A Bonds (the “Series 2020A Assessments”) were imposed on those Benefited Lands as more specifically described in Resolutions 2017-19, 2017-20 and 2017-26, which resolutions are incorporated in their entirety herein by this reference (collectively, the “Assessment Resolutions”); and

WHEREAS, Developer acknowledges that the Series 2020A Assessments have been validly imposed and constitute valid, legal and binding liens upon the Benefited Lands; and

WHEREAS, Developer waives any rights it may have under Section 170.09, *Florida Statutes*, to prepay the Series 2020A Assessments within thirty (30) days after completion of the 2020A Project; and

WHEREAS, Developer waives any defect in notice or publication or in the proceedings to levy, impose and collect the Series 2020A Assessments on the Benefited Lands; and

WHEREAS, Developer shall develop the Benefited Lands, or may sell, transfer or otherwise convey property within the Benefited Lands based on then-existing market conditions, and the actual densities developed within the Benefited Lands may be at some density less than the densities assumed in the District’s Master Assessment Methodology for Windward Community Development District, dated April 27, 2017 (the “Master Methodology”), as supplemented by the Amended Master Assessment Methodology for Windward Community Development District, dated August 19, 2020 (collectively, the “Assessment Methodology”), incorporated herein by this reference; and

WHEREAS, the District’s lien and the Assessment Methodology anticipate and require a mechanism by which Developer shall make certain payments to the District to satisfy, in whole or

in part, the assessments allocated and the liens imposed pursuant to applicable resolutions, the amount of such payments being determined generally by a comparison of the units and types of units actually platted within the Series 2020A Assessment Area and the units and types of units Developer had initially intended to develop within the 2020A Assessment Area, as described in the Assessment Methodology (which payments shall collectively be referenced as the “True-Up Payments”); and

WHEREAS, Developer and the District desire to enter into this agreement to confirm Developer’s obligations to make True-Up Payments.

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

1. INCORPORATION OF RECITALS. The recitals so stated are true and correct and by this reference are incorporated into and form a material part of this Agreement. Any capitalized terms used and not defined herein, shall have those definitions as set forth in the Master Trust Indenture, dated as of November 1, 2018, and the Second Supplemental Trust Indenture, dated October 1, 2020, between the District and U.S. Bank National Association, as Trustee.

2. VALIDITY OF ASSESSMENTS. Developer acknowledges and agrees that the Assessment Resolutions have been duly and validly adopted by the District. Developer further agrees that the Series 2020A Assessments imposed as liens by the District are legal, valid, and binding liens. Developer hereby waives and relinquishes any rights it may have to challenge, object to or otherwise contest or fail to pay such Series 2020A Assessments.

3. COVENANT TO PAY. Developer waives any rights it may have under Section 170.09, *Florida Statutes*, to prepay the Series 2020A Assessments without interest within thirty (30) days of completion of the 2020A Project.

4. SPECIAL ASSESSMENT REALLOCATION.

A. The District’s Series 2020A Assessments securing the Series 2020A Bonds shall be allocated in accordance with the methodology set forth in the Assessment Methodology.

B. To preclude the Benefited Lands from being fully subdivided (or re-subdivided, as the case may be) without all of the debt being allocated, a “True-Up Test” will be conducted at the times set forth herein upon presentation of a plat or replat in Section D., below, or at the time of any proposed sale (except as permitted in Section 4(F) hereunder) of all or a part of the unplatted lands within the Series 2020A Assessment Area by the Developer and in accordance with the Assessment Methodology. If a True-Up Test results in the determination that the maximum annual debt service (debt plus accrued interest) per unplatted acre of the lands within the Series 2020A Assessment Area (the “Unassigned Properties”) exceeds the ceiling amounts of total anticipated assessment revenue established pursuant to the Assessment Methodology or if the number of platted lots (the “Assigned Properties”) is less than the number of lots anticipated in the Assessment Methodology, a debt service reduction payment in the amount necessary to reduce the par amount of the outstanding bonds plus accrued interest to a level that will be supported by the

new net annual debt service assessments (i.e. reduce the Unassigned Properties to the ceiling amount of the total anticipated assessment revenue or to make up for a reduction in the number of lots) shall become due and payable by Developer (the "True-Up Payments"). If a True Up Payment is required in connection with a proposed sale of unplatted lands within the Series 2020A Assessment Area, the True Up Payment must be satisfied before the Lien Release is recorded as to that portion of the unplatted Benefitted Lands. The District will ensure collection of such amounts in a timely manner to meet its debt service obligations. The District shall record all True-Up Payments in its Improvement Lien book (or similar written record of the District). Any True-Up Payments shall be deemed a prepayment of the Series 2020A Assessments and shall be enforceable for non-payment in the same manner.

C. The foregoing is based on the District's understanding and agreement with Developer that Developer will ultimately construct on the Assigned Properties within the Series 2020A Assessment Area the development program as identified in the Assessment Methodology and the Engineer's Report, and it is intended to provide a formula to ensure that the appropriate ratio of the debt service for the Series 2020A Assessments to the Assigned Properties is maintained if fewer than the indicated residential units and/or types of residential units are platted or replatted, or otherwise redesignated. However, the District agrees that nothing herein prohibits more residential units or different types of units from being platted. In no event shall the District collect Series 2020A Assessments in excess of the total debt service for the Benefitted Lands related to the 2020A Project (as described in the Engineer's Report), including all costs of financing and interest. If a True-Up Payment for the Benefitted Lands pursuant to application of the Assessment Methodology would result in assessments collected in excess of the District's total debt service obligation for the 2020A Project, the District agrees to take appropriate action by resolution to equitably reallocate the assessments within the Series 2020A Assessment Area or provide for an equitable refund.

D. If, in connection with any platting or re-platting or site plan approval of the Benefitted Lands, the density or number of lots or the types or sizes of lots within the Series 2020A Assessment Area are modified, the Developer covenants that such plats, replats or site plan approvals shall be presented to the District for review and reallocation of assessments, prior to its submission to Osceola County. The District shall then, upon final approval by Osceola County of such platting or re-platting, re-allocate the Series 2020A Assessments to the product types being platted and the remaining property in the Series 2020A Assessment Area in accordance with a revised Assessment Methodology and cause such reallocation for Series 2020A Assessment Area to be recorded in the District's Improvement Lien Book (or similar written record of the District).

E. Developer covenants to comply, or cause its successors and assigns, other than residential homeowners of platted lots, to comply with this requirement for the reallocation. No further action by the District's Board of Supervisors shall be required. So long as its joinder is not required, the District's review of the plats/replats/site plans shall be limited solely to the reallocation of Series 2020A Assessments, the calculation of any True-Up Payment, the enforcement of the lien established by the District, the proper and appropriate designation of District-owned lands and/or easements, and the proper conveyance of improvements to the District or other public entity (as described in the Engineer's Report). Nothing herein shall in any way operate to or be construed as providing any plat/site plan/development approval or disapproval powers to the District.

F. Developer shall not transfer any portion of the Benefited Lands to any third party other than (i) platted and fully developed, with completed infrastructure, lots to homebuilders and/or residential end users, (ii) portions of the Benefited Lands for which the District has recorded a Release of Lien, or (iii) portions of the Benefited Lands exempt from assessments to the County, the District or other governmental agencies, except in accordance with Section 4(B) above and Section 4(G) below. Any transfer of any portion of the Benefited Lands pursuant to this Section 4(F) for which the District has recorded a Release of Lien shall automatically terminate this Agreement as to such Benefited Lands reflected in the Release of Lien. Any violation of this provision by Developer shall constitute a default by the Developer under this Agreement.

G. Developer shall not transfer any portion of the Benefited Lands to any third party except as permitted by Section 4(B) and Section 4(F) above, without satisfying the following conditions ("Transfer Conditions"): (i) causing such third party to assume in writing Developer's obligations under this Agreement with respect to such portion of the Benefited Lands intended to be conveyed; (ii) delivering such written assignment and assumption instrument to the District; and (iii) satisfying any True-Up Payments that result from a True-Up Analysis that shall be performed by the District Manager prior and as a condition of such transfer. Any transfer that is consummated pursuant to this Section 4(G) shall operate as a release of Developer from its obligations under this Agreement as to such portion of the Benefited Lands only arising from and after the date of such transfer and satisfaction of all the Transfer Conditions including payment of any True-Up Payments due and the transferee assuming Developer's obligations in accordance herewith shall be deemed "Developer" from and after such transfer for all purposes as to such portion of the Benefited Lands so transferred. Any violation of this provision by Developer shall constitute a default by Developer under this Agreement.

5. ENFORCEMENT. This Agreement is intended to be an additional method of enforcement of Developer's obligation to comply with the requirements of the application of True-Up Payments (and any required recalculation of assessments) as set forth in the Assessment Resolutions. A default by either party under this Agreement shall entitle any other party to all remedies available at law or in equity, which shall include, but not be limited to, the right of damages, (excluding special, punitive, and consequential damages), injunctive relief and specific performance. Unlike the payment of the Series 2020A Assessments which entails in rem obligations on the part of the District, the Developer's obligation regarding the True-Up Payments is personal in nature.

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

7. NOTICES. All notices, requests, consents and other communications hereunder ("Notices") shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or hand delivered to the Parties, as follows:

If to District: Windward Community Development District
219 East Livingston Street
Orlando, Florida 32801
Attention: District Manager
Telephone: (407) 841-5524
Email: gflint@gmscfl.com

With a copy to: Latham, Luna, Eden & Beaudine, LLP
111 North Magnolia Avenue, Suite 1400
Orlando, Florida 32801
Attention: Jan Albanese Carpenter, Esq.
Telephone: (407) 481-5801
Email: jcarpenter@lathamluna.com

If to Developer: K. Hovnanian at Mystic Dunes, LLC
2301 Lucien Way, Suite 260
Maitland, Florida 32751
Attention: Justin Allen
Telephone: (321) 363-2608
Email: JUallen@KHOV.com

With a copy to: Developers Counsel

Attention:
Telephone:
Email:

Except as otherwise provided herein, any Notice shall be deemed received only upon actual delivery at the address as set forth herein. If mailed as provided above, Notices shall be deemed delivered on the third business day after mailing unless actually received earlier. Notices hand delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the respective Parties may deliver Notice on behalf of the Parties. Any party or other person to whom Notices are to be sent or copied may notify the other Parties and addressees of any change in name, address or telecopy number to which Notices shall be sent by providing the same on five (5) days written notice to the Parties and addressees set forth herein. Copies of Notices may be sent by e-mail, but such transmission shall not constitute delivery under this Agreement.

Notwithstanding the foregoing, to the extent Florida law requires notice to enforce the collection of assessments placed on property by the District, then the provision of such notice shall be in lieu of any additional notice required by this Agreement.

8. ASSIGNMENT. Neither Party may assign its rights, duties or obligations under this

Agreement or any monies to become due hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed and without the prior written consent of the Trustee acting at the direction of the Series 2020A Bonds' Bondholders owning a majority of the aggregate principal amount of the Series 2020A Bonds then outstanding; provided, however, that Developer may assign this Agreement to any purchaser of all or a significant portion of the Lands without obtaining the prior written consent of the District and the Trustee, upon prior notice to the District and making any then accrued but unpaid True-Up Payments due hereunder, whereupon the Developer shall be released from liability hereunder arising from and after such assignment.

9. AMENDMENT. This Agreement shall constitute the entire agreement between the Parties as to the specific subject matter set forth herein and may be modified in any material respect only in writing by the mutual agreement of both Parties, and the prior written consent of the Trustee acting at the direction of the Series 2020A Bonds' Bondholders owning a majority of the aggregate principal amount of the Series 2020A Bonds then outstanding.

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

11. TERMINATION. This Agreement shall continue in effect until it is rescinded in writing by the mutual assent of each Party and the consent of the Trustee acting at the direction of the Series 2020A Bonds' Bondholders owning a majority of the aggregate principal amount of the Series 2020A Bonds then outstanding, or until the earlier of the date on which the Series 2020A Assessments are (a) fully allocated to platted and developed units; and (b) will provide sufficient funds to support payment of the annual debt service on the Series 2020A Bonds as provided in the Assessment Methodology. In any event, this Agreement shall be deemed terminated automatically as to any lot sold to a retail homeowner or end-user. This Agreement shall also be deemed terminated automatically on the Benefited Lands or portion of the Benefited Lands upon payment in full of the Series 2020A Assessments allocated thereto as reflected in the Release of Lien as recorded by the District.

12. NEGOTIATION AT ARM'S LENGTH. This Agreement has been negotiated fully between the Parties as an arm's length transaction. Both Parties participated fully in the preparation of this Agreement and received the advice of counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, both Parties are deemed to have drafted, chosen and selected the language, and the doubtful language will not be interpreted or construed against either party.

13. THIRD-PARTY BENEFICIARIES. This Agreement is solely for the benefit of the formal Parties herein and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party not a formal party hereto. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the Parties hereto any right, remedy or claim under or by reason of this Agreement or any provisions or conditions hereof; and all of the provisions, representations, covenants and conditions herein contained shall inure to the sole benefit of and shall be binding upon the Parties hereto and their respective representatives, successors and assigns. Notwithstanding anything

herein to the contrary, the Trustee for the Series 2020A Bonds, on behalf of the owners of the Series 2020A Bonds, shall be a direct third-party beneficiary of the terms and conditions of this Agreement and shall be entitled to cause the District to enforce the Developer's obligations hereunder. The Trustee shall not be deemed to have assumed any obligation under this Agreement.

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

15. APPLICABLE LAW AND VENUE. This Agreement and the provisions contained in this Agreement shall be construed, interpreted, and controlled according to the laws of the State of Florida. The Parties hereby acknowledge and agree that, in the event legal action is instituted to enforce this Agreement, the Developer consents to and by execution hereof submit to the jurisdiction of any state court sitting in or for Osceola County, Florida.

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

17. HEADINGS FOR CONVENIENCE ONLY. The descriptive headings in this Agreement are for convenience only and shall not control nor affect the meaning or construction of any of the provisions of this Agreement.

18. EFFECTIVE DATE. This Agreement shall become effective after execution by the Parties hereto on the date reflected above.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

**COUNTERPART SIGNATURE PAGE
TO AGREEMENT BETWEEN DEVELOPER AND
WINDWARD COMMUNITY DEVELOPMENT DISTRICT
REGARDING THE TRUE UP AND PAYMENT
FOR SPECIAL ASSESSMENT BONDS, SERIES 2020A-1 AND 2020A-2**

IN WITNESS WHEREOF, the Parties execute this Agreement the day and year first written above.

WITNESSES:

Signed, sealed and delivered in the presence of:

Print Name: _____

Print Name: _____

DEVELOPER:

K. HOVNANIAN AT MYSTIC DUNES, LLC,
a Florida limited liability company

By: _____

Printed Name: _____

Title: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 2020 by _____, as _____, of K. HOVNANIAN AT MYSTIC DUNES, LLC, a Florida limited liability company, on behalf of the company, who is ☐ personally known to me or ☐ has produced a valid driver's license as identification.

Notary Public; State of _____
Print Name: _____
My Commission Expires: _____
My Commission No.: _____

**COUNTERPART SIGNATURE PAGE
TO AGREEMENT BETWEEN DEVELOPER AND
WINDWARD COMMUNITY DEVELOPMENT DISTRICT
REGARDING THE TRUE UP AND PAYMENT
FOR SPECIAL ASSESSMENT BONDS, SERIES 2020A-1 AND 2020A-2**

ATTEST:

**DISTRICT:
WINDWARD COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
George S. Flint
Secretary

By: _____
Print: _____
Title: _____

**STATE OF FLORIDA
COUNTY OF OSCEOLA**

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization this ____ day of _____ 2020 by _____, as _____, and by George S. Flint, as Secretary, of **WINDWARD COMMUNITY DEVELOPMENT DISTRICT**, a community development district organized under the laws of the State of Florida, on behalf of the community development district. They ☐ are both personally known to me or ☐ have each produced a valid driver's license as identification.

Notary Public; State of Florida
Print Name: _____
My Commission Expires: _____
My Commission No.: _____

Exhibit “A”

Lands designated as Series 2020A Assessment Area

SECTION D

*This item will be provided under
separate cover*

SECTION VI

SECTION C

SECTION 1

Windward

Community Development District

Summary of Check Register

August 1, 2020 to August 31, 2020

Fund	Date	Check No.'s	Amount
General Fund	8/4/20	274	\$ 2,077.00
	8/7/20	275	\$ 5,070.00
	8/11/20	276-278	\$ 3,567.19
	8/13/20	279	\$ 39,003.56
	8/19/20	280	\$ 230.00
	8/26/20	281	\$ 2,542.00
			<hr/> \$ 52,489.75
			<hr/> \$ 52,489.75

AP300R
*** CHECK NOS. 000274-000281

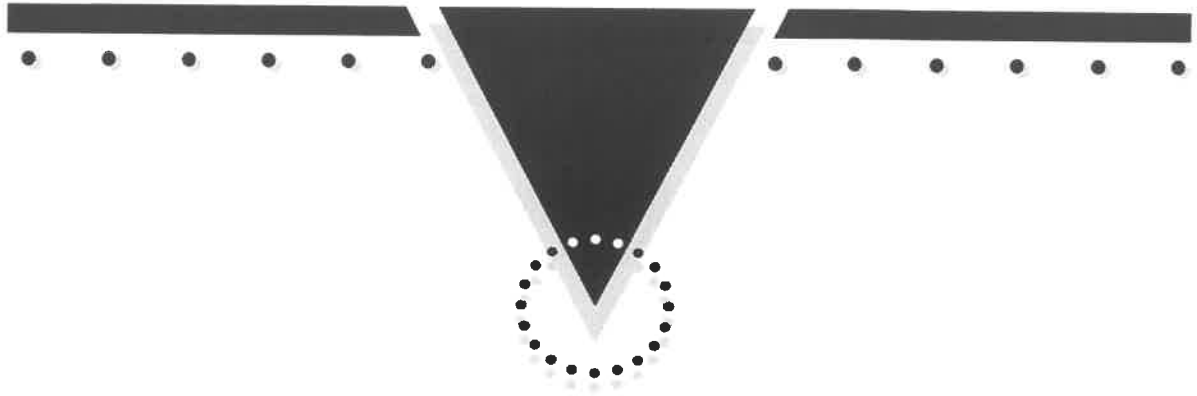
YEAR-TO-DATE ACCOUNTS PAYABLE PREPAID/COMPUTER CHECK REGISTER
WINDWARD CDD - GENERAL FUND
BANK A GENERAL FUND

PAGE 1

CHECK DATE	VEND#INVOICE..... DATE INVOICEEXPENSED TO.... YRMO DPT ACCT# SUB	SUBCLASS	VENDOR NAME	STATUS	AMOUNTCHECK..... AMOUNT #
8/04/20	00002	7/24/20	92693	202006	310-51300-31500	*	2,077.00	
			RECEIPT/REVIEW/DRAFT		LATHAM, LUNA, EDEN & BEAUDINE, LLP			2,077.00 000274
8/07/20	00001	8/01/20	86	202008	310-51300-34000	*	2,916.67	
			MANAGEMENT FEE-AUGUST2020					
8/01/20	86	202008	310-51300-35100			*	50.00	
			INFORMATION TEC-AUGUST20					
8/01/20	86	202008	310-51300-31300			*	291.67	
			DISSEMINATION-AUGUST2020					
8/01/20	86	202008	310-51300-51000			*	.24	
			OFFICE MANAGEMENT					
8/01/20	86	202008	310-51300-42000			*	50.31	
			POSTAGE					
8/01/20	86	202008	310-51300-42500			*	5.70	
			COPIES					
8/01/20	87	202008	320-53800-12000			*	1,250.00	
			FIELD MANAGEMENT-AUGUST20					
8/01/20	87	202008	320-53800-47000			*	5.41	
			ACE HARDWARE					
8/20/20	88	202008	320-53800-34100			*	500.00	
			FACILITY MAINTENANCE-0820					
			GOVERNMENTAL MANAGEMENT SERVICES-CF					
8/11/20	00028	7/30/20	235321	202007	310-51300-48000	*	180.94	5,070.00 000275
			NOT OF PUBLIC HEARING					
			OSCEOLA NEWS GAZETTE					
8/11/20	00017	8/03/20	001-20-2	202008	320-53800-47000	*	125.00	180.94 000276
			REPAIR STREET SIGN					
			ONSIGHT, INC.					
8/11/20	00013	7/28/20	18-021(3	202006	310-51300-31100	*	3,261.25	125.00 000277
			ENGINEER FEE 06/2020					
			POULOS & BENNETT					
8/13/20	00009	8/26/20	00262245	202008	320-53800-43100	*	39,003.56	3,261.25 000278
			0 FOUR SEASONS BOULEVARD					
			TOHO WATER AUTHORITY					
8/19/20	00021	8/04/20	4723	202008	320-53800-47400	*	230.00	39,003.56 000279
			INSTALLED CAUTION TAPE					
			BERRY CONSTRUCTION OF CENTRAL FL					
8/26/20	00008	7/31/20	71840	202007	320-53800-46700	*	2,542.00	230.00 000280
			LANDSCAPE SUMMER INS ANNU					
			DOWN TO EARTH LAWNCARE					
								2,542.00 000281

TOTAL FOR BANK A 52,489.75
WWRD --WINDWARD-- IAGUILAR

SECTION 2



Windward
Community Development District

Unaudited Financial Reporting

August 31, 2020



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7	<u>LONG TERM DEBT SUMMARY</u>
8	<u>ASSESSMENT RECEIPT SCHEDULE</u>

WINDWARD
COMMUNITY DEVELOPMENT DISTRICT
COMBINED BALANCE SHEET
August 31, 2020

	GENERAL FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	TOTALS
<u>ASSETS:</u>				
CASH	\$98,616	---	---	\$98,616
<u>INVESTMENTS</u>				
SERIES 2018 A-1/A-2				
RESERVE A-1	---	\$121,730	---	\$121,730
RESERVE A-2	---	\$92,655	---	\$92,655
REVENUE	---	\$92,371	---	\$92,371
INTEREST A-1	---	\$0	---	\$0
INTEREST A-2	---	\$0	---	\$0
PREPAYMENT A-2	---	\$649,709	---	\$649,709
CONSTRUCTION	---	---	\$5,270	\$5,270
DUE FROM DEVELOPER	\$7,513	\$0	\$1,230	\$8,743
TOTAL ASSETS	<u>\$106,129</u>	<u>\$956,465</u>	<u>\$6,501</u>	<u>\$1,069,094</u>
<u>LIABILITIES:</u>				
ACCOUNTS PAYABLE	\$7,757	---	---	\$7,757
DUE TO OTHER	\$1,230	---	---	\$1,230
FICA PAYABLE	\$31	---	---	\$31
<u>FUND BALANCES:</u>				
FUND BALANCES:				
RESTRICTED FOR DEBT 2018	---	\$956,465	---	\$956,465
RESTRICTED FOR CAPITAL PROJECTS 2018	---	---	\$6,501	\$6,501
UNASSIGNED	\$97,111	---	---	\$97,111
TOTAL LIABILITIES & FUND BALANCES	<u>\$106,129</u>	<u>\$956,465</u>	<u>\$6,501</u>	<u>\$1,069,094</u>

WINDWARD

COMMUNITY DEVELOPMENT DISTRICT

GENERAL FUND

Statement of Revenues, Expenditures and Changes in Fund Balance

For The Period Ending August 31, 2020

	ADOPTED BUDGET	PRORATED BUDGET THRU 08/31/20	ACTUAL THRU 08/31/20	VARIANCE
REVENUES:				
SPECIAL ASSESSMENTS	\$159,059	\$159,059	\$159,356	\$297
DIRECT ASSESSMENTS	\$162,945	\$153,168	\$153,168	\$0
DEFICIT FUNDING	\$171,123	\$65,108	\$65,108	\$0
MISCELLANEOUS REVENUE	\$0	\$0	\$7,470	\$7,470
TOTAL REVENUES	\$493,127	\$377,335	\$385,102	\$7,767
EXPENDITURES:				
ADMINISTRATIVE:				
SUPERVISORS FEES	\$4,800	\$4,400	\$1,200	\$3,200
FICA EXPENSE	\$367	\$336	\$92	\$245
ENGINEERING	\$12,000	\$11,000	\$11,008	(\$8)
ATTORNEY	\$25,000	\$22,917	\$21,364	\$1,553
ARBITRAGE	\$450	\$0	\$0	\$0
DISSEMINATION	\$3,500	\$3,208	\$4,208	(\$1,000)
ANNUAL AUDIT	\$3,600	\$3,600	\$4,100	(\$500)
TRUSTEE FEE	\$5,000	\$3,717	\$3,717	\$0
ASSESSMENT ADMINISTRATION	\$5,000	\$5,000	\$5,000	\$0
MANAGEMENT FEES	\$35,000	\$32,083	\$32,083	(\$0)
INFORMATION TECHNOLOGY	\$1,800	\$1,650	\$550	\$1,100
TELEPHONE	\$300	\$275	\$0	\$275
POSTAGE	\$1,000	\$917	\$247	\$670
INSURANCE	\$5,500	\$5,500	\$5,125	\$375
PRINTING & BINDING	\$1,000	\$917	\$88	\$829
LEGAL ADVERTISING	\$2,500	\$2,292	\$1,680	\$612
OTHER CURRENT CHARGES	\$1,000	\$917	\$25	\$891
OFFICE SUPPLIES	\$625	\$573	\$22	\$551
PROPERTY APPRAISER	\$500	\$115	\$115	\$0
PROPERTY TAXES	\$250	\$250	\$0	\$250
TRAVEL PER DIEM	\$660	\$605	\$0	\$605
DUES, LICENSES & SUBSCRIPTIONS	\$175	\$175	\$175	\$0
TOTAL ADMINISTRATION	\$110,027	\$100,446	\$90,800	\$9,646
FIELD OPERATIONS:				
FIELD SERVICES	\$15,000	\$13,750	\$13,750	\$0
FACILITY MAINTENANCE	\$0	\$0	\$5,500	(\$5,500)
TELEPHONE	\$3,500	\$3,208	\$0	\$3,208
ELECTRIC	\$26,000	\$23,833	\$11,386	\$12,447
WATER & SEWER	\$210,000	\$157,181	\$157,181	\$0
SECURITY BUILDING MAINTENANCE	\$10,000	\$9,167	\$1,444	\$7,723
LANDSCAPE MAINTENANCE	\$63,000	\$57,750	\$49,414	\$8,336
LANDSCAPE CONTINGENCY	\$25,000	\$22,917	\$7,626	\$15,291
PROPERTY INSURANCE	\$6,000	\$6,000	\$2,465	\$3,535
FOUNTAIN MAINTENANCE	\$4,200	\$3,850	\$3,300	\$550
LAKE MAINTENANCE	\$6,000	\$5,500	\$0	\$5,500
IRRIGATION REPAIRS	\$4,000	\$3,667	\$244	\$3,423
LIGHTING MAINTENANCE	\$2,500	\$2,292	\$0	\$2,292
MONUMENT MAINTENANCE	\$1,400	\$1,283	\$430	\$853
ROADWAY MAINTENANCE	\$1,500	\$1,375	\$1,860	(\$485)
MISC. CONTINGENCY	\$5,000	\$4,583	\$507	\$4,077
TOTAL FIELD OPERATIONS	\$383,100	\$316,356	\$255,106	\$61,250
TOTAL EXPENDITURES	\$493,127	\$416,803	\$345,907	\$70,896
EXCESS REVENUES (EXPENDITURES)	\$0		\$39,196	
FUND BALANCE - Beginning	\$0		\$57,915	
FUND BALANCE - Ending	\$0		\$97,111	

WINDWARD
COMMUNITY DEVELOPMENT DISTRICT

DEBT SERVICE FUND

Series 2018 - A1

Statement of Revenues, Expenditures and Changes in Fund Balance

For The Period Ending August 31, 2020

REVENUES:

	ADOPTED BUDGET	PRORATED BUDGET THRU 08/31/20	ACTUAL THRU 08/31/20	VARIANCE
SPECIAL ASSESSMENTS	\$243,648	\$243,648	\$244,103	\$455
INTEREST	\$500	\$458	\$174	(\$284)
TOTAL REVENUES	\$244,148	\$244,106	\$244,277	\$171

EXPENDITURES:

Series 2018A-1

INTEREST - 11/01	\$97,108	\$97,108	\$97,108	\$0
PRINCIPAL - 05/01	\$50,000	\$50,000	\$50,000	\$0
INTEREST - 05/01	\$97,108	\$97,108	\$97,108	\$0
TOTAL EXPENDITURES	\$244,216	\$244,215	\$244,215	\$0
EXCESS REVENUES (EXPENDITURES)	(\$68)		\$62	
FUND BALANCE - Beginning	\$97,622		\$220,291	
FUND BALANCE - Ending	\$97,554		\$220,353	

WINDWARD

COMMUNITY DEVELOPMENT DISTRICT

DEBT SERVICE FUND

Series 2018 - A2

Statement of Revenues, Expenditures and Changes in Fund Balance

For The Period Ending August 31, 2020

	ADOPTED BUDGET	PRORATED BUDGET THRU 08/31/20	ACTUAL THRU 08/31/20	VARIANCE
REVENUES:				
SPECIAL ASSESSMENTS - DIRECT	\$204,670	\$88,176	\$88,176	\$0
ASSESSMENTS - PREPAYMENT	\$0	\$0	\$1,343,736	\$1,343,736
INTEREST	\$500	\$458	\$340	(\$118)
TOTAL REVENUES	\$205,170	\$88,634	\$1,432,252	\$1,343,618
EXPENDITURES:				
Series 2018A-2				
PRINCIPAL - 11/01	\$315,000	\$315,000	\$330,000	(\$15,000)
INTEREST - 11/01	\$108,025	\$108,025	\$108,025	\$0
SPECIAL CALL - 2/01	\$0	\$0	\$200,000	(\$200,000)
INTEREST - 02/01	\$0	\$0	\$2,900	(\$2,900)
INTEREST - 05/01	\$98,890	\$92,655	\$92,655	\$0
SPECIAL CALL - 05/01	\$0	\$0	\$205,000	(\$205,000)
INTEREST - 08/01	\$0	\$0	\$4,423	(\$4,423)
SPECIAL CALL - 08/01	\$0	\$0	\$305,000	(\$305,000)
TOTAL EXPENDITURES	\$521,915	\$515,680	\$1,248,003	(\$732,323)
EXCESS REVENUES (EXPENDITURES)	(\$316,745)		\$184,250	
FUND BALANCE - Beginning	\$436,730		\$551,862	
FUND BALANCE - Ending	\$119,985		\$736,111	

WINDWARD

COMMUNITY DEVELOPMENT DISTRICT

CAPITAL PROJECTS FUND Series 2018

Statement of Revenues, Expenditures and Changes in Fund Balance

For The Period Ending August 31, 2020

	ADOPTED BUDGET	PRORATED BUDGET THRU 08/31/20	ACTUAL THRU 08/31/20	VARIANCE
<u>REVENUES:</u>				
INTEREST	\$0	\$0	\$4	\$4
TOTAL REVENUES	\$0	\$0	\$4	\$4
<u>EXPENDITURES:</u>				
CAPITAL OUTLAY - CONSTRUCTION	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$0	\$0	\$0	\$0
EXCESS REVENUES (EXPENDITURES)	\$0		\$4	
FUND BALANCE - Beginning	\$0		\$6,496	
FUND BALANCE - Ending	\$0		\$6,501	

WINDWARD COMMUNITY DEVELOPMENT DISTRICT

REVENUES:	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
SPECIAL ASSESSMENTS	\$0	\$32,816	\$170,927	\$447	\$3,424	\$865	\$878	\$0	\$0	\$0	\$0	\$0	\$159,356
DIRECT ASSESSMENTS	\$0	\$0	\$165,884	\$0	\$0	\$38,292	\$0	\$0	\$38,292	\$0	\$0	\$0	\$153,168
DEVELOPER CONTRIBUTIONS	\$5,000	\$55,996	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,113	\$0	\$0	\$65,108
MISCELLANEOUS REVENUES	\$0	\$0	\$0	\$7,470	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,470
TOTAL REVENUES	\$5,000	\$88,811	\$1,197,511	\$7,917	\$3,424	\$39,157	\$878	\$0	\$38,292	\$4,113	\$0	\$0	\$385,102
EXPENDITURES:													
ADMINISTRATIVE													
SUPERVISOR FEES	\$0	\$0	\$200	\$0	\$400	\$0	\$0	\$200	\$0	\$200	\$200	\$0	\$1,200
FICA EXPENSE	\$0	\$0	\$15	\$0	\$31	\$0	\$0	\$15	\$0	\$15	\$15	\$0	\$92
ENGINEERING	\$0	\$0	\$0	\$0	\$2,338	\$336	\$3,381	\$0	\$3,261	\$1,693	\$0	\$0	\$11,008
ATTORNEY	\$47	\$3,041	\$3,419	\$0	\$1,720	\$0	\$1,158	\$8,897	\$2,077	\$1,006	\$0	\$0	\$11,364
ARBITRAGE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DISSEMINATION	\$292	\$292	\$792	\$292	\$292	\$792	\$292	\$292	\$292	\$292	\$292	\$0	\$4,208
ANNUAL AUDIT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,100	\$0	\$0	\$0	\$0	\$4,100
TRUSTEE FEE	\$0	\$0	\$3,717	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,717
ASSESSMENT ADMINISTRATION	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000
MANAGEMENT FEES	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$2,917	\$0	\$32,083
INFORMATION TECHNOLOGY	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$0	\$550
TELEPHONE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
POSTAGE	\$21	\$33	\$2	\$2	\$6	\$4	\$16	\$4	\$72	\$37	\$50	\$0	\$247
INSURANCE	\$5,125	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,125
PRINTING & BINDING	\$1	\$0	\$33	\$0	\$6	\$16	\$0	\$0	\$0	\$27	\$6	\$0	\$88
LEGAL ADVERTISING	\$680	\$0	\$0	\$0	\$0	\$0	\$0	\$715	\$181	\$104	\$0	\$0	\$1,680
OTHER CURRENT CHARGES	\$0	\$0	\$0	\$25	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25
OFFICE SUPPLIES	\$0	\$0	\$20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20
PROPERTY APPRAISER	\$0	\$0	\$0	\$0	\$0	\$0	\$115	\$0	\$0	\$0	\$0	\$0	\$115
PROPERTY TAXES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TRAVEL PER DIEM	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DUES, LICENSES & SUBSCRIPTIONS	\$175	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$175
FIELD OPERATIONS													
FIELD SERVICES	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$1,250	\$0	\$13,750
FACILITY MAINTENANCE	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$0	\$5,500
TELEPHONE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ELECTRIC	\$984	\$1,043	\$1,172	\$1,109	\$1,001	\$1,080	\$980	\$840	\$1,129	\$1,055	\$983	\$0	\$11,386
WATER & SEWER	\$7,717	\$14,778	\$7,724	\$21,394	\$6,093	\$8,526	\$10,379	\$14,644	\$14,925	\$11,921	\$39,082	\$0	\$157,181
SECURITY BUILDING MAINTENANCE	\$438	\$300	\$300	\$0	\$0	\$0	\$133	\$0	\$141	\$0	\$132	\$0	\$1,444
LANDSCAPE MAINTENANCE	\$4,255	\$4,867	\$4,382	\$4,382	\$4,382	\$4,382	\$5,232	\$4,382	\$4,382	\$4,382	\$4,382	\$0	\$49,414
LANDSCAPE CONTINGENCY	\$2,542	\$0	\$0	\$2,542	\$0	\$0	\$0	\$0	\$0	\$0	\$2,542	\$0	\$7,676
PROPERTY INSURANCE	\$2,465	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,465
FOUNTAIN MAINTENANCE	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$0	\$3,300
LAKE MAINTENANCE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IRRIGATION REPAIRS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LIGHTING MAINTENANCE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$244	\$0	\$244
MONUMENT MAINTENANCE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ROADWAY MAINTENANCE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$430	\$0	\$0	\$430
MISC CONTINGENCY	\$765	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$865	\$0	\$230	\$0	\$1,860
	\$560	(\$525)	\$0	\$0	\$48	\$0	\$0	\$194	\$68	\$31	\$130	\$0	\$507
TOTAL EXPENDITURES	\$36,092	\$18,845	\$26,792	\$34,763	\$21,333	\$20,153	\$26,702	\$39,300	\$32,410	\$26,210	\$53,306	\$0	\$345,907
Excess Revenues (Expenditures)	(\$31,092)	\$69,966	\$170,719	(\$26,846)	(\$17,910)	\$19,004	(\$25,824)	(\$39,300)	\$5,882	(\$22,088)	(\$53,306)	\$0	\$39,196

**WINDWARD
COMMUNITY DEVELOPMENT DISTRICT
LONG TERM DEBT REPORT**

SERIES 2018A-1, SPECIAL ASSESSMENT REVENUE BONDS		
INTEREST RATES:	4.500%, 5.100%, 5.700%, 5.800%	
MATURITY DATE:	5/1/2049	
RESERVE FUND DEFINITION	50% MAXIMUM ANNUAL DEBT SERVICE	
RESERVE FUND REQUIREMENT	\$121,730	
RESERVE FUND BALANCE	\$121,730	
BONDS OUTSTANDING - 11/07/18		\$3,460,000
PRINCIPAL PAYMENT - 05/01/20		(\$50,000)
CURRENT BONDS OUTSTANDING		\$3,410,000

SERIES 2018A-2, SPECIAL ASSESSMENT REVENUE BONDS		
INTEREST RATES:	5.800%	
MATURITY DATE:	11/1/2029	
RESERVE FUND DEFINITION	50% MAXIMUM ANNUAL INTEREST	
RESERVE FUND REQUIREMENT	\$92,655	
RESERVE FUND BALANCE	\$92,655	
BONDS OUTSTANDING - 11/07/18		\$4,120,000
SPECIAL CALL - 05/01/19		(\$150,000)
SPECIAL CALL - 08/01/19		(\$245,000)
SPECIAL CALL - 11/01/19		(\$330,000)
SPECIAL CALL - 02/01/20		(\$200,000)
SPECIAL CALL - 05/01/20		(\$205,000)
SPECIAL CALL - 08/01/20		(\$305,000)
CURRENT BONDS OUTSTANDING		\$2,685,000

WINDWARD
COMMUNITY DEVELOPMENT DISTRICT
Special Assessment Receipts
Fiscal Year 2020

TOTAL ASSESSMENT LEVY									
DATE	DESCRIPTION	GROSS AMT	COMMISSIONS	DISC/PENALTY	INTEREST	NET RECEIPTS	ASSESSED THROUGH COUNTY		
							39.50%	60.50%	100.00%
							O&M Portion	S2018 DSF Portion	Total
10/31/19	ACH	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
11/12/19	ACH	\$221.13	\$4.42	\$11.38	\$0.00	\$205.33	\$115.33	\$90.00	\$205.33
11/22/19	ACH	\$61,881.69	\$1,237.64	\$2,425.81	\$0.00	\$58,218.24	\$32,700.35	\$25,517.89	\$58,218.24
12/06/19	ACH	\$322,926.90	\$6,458.54	\$0.00	\$0.00	\$316,468.36	\$177,755.71	\$138,712.65	\$316,468.36
12/23/19	ACH	\$18,278.88	\$365.57	\$0.00	\$0.00	\$17,913.31	\$10,061.65	\$7,851.66	\$17,913.31
01/13/20	ACH	\$662.31	\$13.25	\$0.00	\$0.00	\$649.06	\$364.57	\$284.49	\$649.06
01/21/20	ACH	\$0.00	\$0.00	\$0.00	\$146.12	\$146.12	\$82.07	\$64.05	\$146.12
02/12/20	ACH	\$6,346.84	\$126.92	\$124.41	\$0.00	\$6,095.51	\$3,423.76	\$2,671.75	\$6,095.51
03/09/20	ACH	\$1,586.71	\$31.41	\$15.87	\$0.00	\$1,539.43	\$864.68	\$674.75	\$1,539.43
	Adjustment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$66,890.37)	\$66,890.37	\$0.00
04/13/20	ACH	\$2,269.50	\$45.39	\$0.00	\$0.00	\$2,224.11	\$878.47	\$1,345.64	\$2,224.11
						\$0.00	\$0.00	\$0.00	\$0.00
	TOTAL	\$414,173.96	\$8,283.14	\$2,577.47	\$146.12	\$403,459.47	\$159,356.21	\$244,103.26	\$403,459.47

Gross

TOTAL ASSESSMENT LEVY

99%	Gross Percent Collected
\$14,237.74	Balance Remaining to Collect

Off Roll Assessment

K. Hovnanian at Mystic Dunes, LLC									
Net Assessments									
DATE RECEIVED	DUE DATE	CHECK NO.	NET ASSESSED	AMOUNT RECEIVED	GENERAL FUND	DEBT SERVICE FUND 2018			
12/19/19	12/1/19	110031	\$76,583.92	\$76,583.92	\$76,583.92	\$0.00			
3/1/20	2/1/20	3829196	\$38,291.96	\$38,291.96	\$38,291.96	\$0.00			
4/20/20	4/1/19	352	\$88,176.00	\$88,176.00	\$0.00	\$88,176.00			
6/9/20	5/1/20	548	\$38,291.96	\$38,291.96	\$38,291.96	\$0.00			
	9/1/19		\$80,330.00						
			\$321,673.84	\$241,343.84	\$153,167.84	\$88,176.00			