



DPFG Management & Consulting, LLC

***AVALON GROVES COMMUNITY DEVELOPMENT
DISTRICT***

Agenda Package

Regular Meeting

Date & Time:

Thursday

February 25, 2021

11:30 a.m.

Location:

17555 Sawgrass Bay Blvd

Clermont, Florida

With

Zoom Conference Call Available

Note: The Advanced Meeting Package is a working document and thus all materials are considered DRAFTS prior to presentation and Board acceptance, approval or adoption.

Avalon Groves

Community Development District

DPFG Management & Consulting, LLC

[X] 250 International Parkway, Suite 280
Lake Mary FL 32746
(321) 263-0132 Ext. 738

February 24, 2021

Board of Supervisors
Avalon Groves Community Development District

Dear Board Members:

The Regular Meeting of the Board of Supervisors of the Avalon Groves Community Development District is scheduled for **Thursday, February 25, 2021 at 11:30 a.m.** at the **Amenity Center located at 17555 Sawgrass Bay Blvd, Clermont FL** with **Zoom Conference Call Available.**

The advanced copy of the agenda for the meeting is attached along with associated documentation for your review and consideration. Any additional support material will be distributed at the meeting.

The balance of the agenda is routine in nature. Staff will present their reports at the meeting. If you have any questions, please contact me. I look forward to seeing you there.

Sincerely,

Patricia Comings-Thibault
Patricia Comings-Thibault
District Manager

cc: Attorney
Engineer
District Records

Avalon Groves Community Development District

Board of Supervisors Meeting

Thursday, February 25th at 11:30 AM

via Zoom – **AUDIO ONLY**

Dear Residents

We welcome you to join us for the Board of Supervisors Meeting to be held on Thursday, February 25th at 11:30 AM. This meeting will be held in person and via Zoom, an online platform that allows us to hold necessary Board meetings without having to leave the safety of your home. While many may know and have used Zoom as a video conference platform, we will be using it in audio only mode, so there will be no visual on your end to visually see, so as a note, your computer is working fine if you do not see a video stream. With Zoom you have two options for joining the meeting; telephone or computer, and it will all be audio based, meaning no video recording. Please follow the instructions below for either telephone or computer attendance. If you have any questions in regard to the agenda, please email them to pthibault@dpfgmc.com before the meeting so that they can be answered accordingly. Please be advised that the meeting will not start until the host, the District Manager, has started the meeting. Thank you for your patience in these trying times and we look forward to hearing from you.

Join Zoom Meeting by Computer

<https://us02web.zoom.us/j/87219163260?pwd=VDFNTGVlaXBTQlpCbWZlc1BRSEpMUT09>

Meeting ID: 872 1916 3260

Password: 197555

Join Zoom Meeting by Phone

Dial by your location – Follow the Prompts – Meeting ID - 872 1916 3260 – **Hit # when it requests a participant ID**

+1 253 215 8782 US

+1 301 715 8592 US

+1 346 248 7799 US (Houston)

+1 929 205 6099 US (New York)

+1 312 626 6799 US (Chicago)

+1 669 900 6833 US (San Jose)

District: **AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT**

Date of Meeting: Thursday, February 25, 2021

Time: 11:30 AM

Location: 17555 Sawgrass Bay Blvd.,
Clermont, FL with Zoom
Conference Call Available

Dial-in Number: +1 253 215 8782

Meeting ID: 872 1916 3260

Passcode: 197555

Agenda

Note: For the full agenda package, please contact jleger@dpfgmc.com

I. Roll Call

II. Audience Comments (Limited to three minutes on agenda items)

III. Administrative Matters

- A. Steadfast Environmental – Waterway Inspection Exhibit 1
- B. Consideration for Approval – The Minutes of the Board of Supervisors Regular Meeting Held January 28, 2021 Exhibit 2
- C. Consideration for Acceptance – The January 2021 Unaudited Financial Report Exhibit 3
- D. Presentation of the February Field Operations Report Exhibit 4

IV. Business Matters

- A. Consideration of Request for Grant of Easement Exhibit 5
- B. Consideration of Matters Regarding Bond Financing
 - Presentation of Engineer’s Supplemental Report, 2021 Bond Issuance, dated February 1, 2021 Exhibit 6
 - Presentation of Third Supplemental Special Assessment Methodology Report, dated February 10, 2021 (final pricing) Exhibit 7
 - Consideration & Adoption of **Resolution 2021-07**, Supplemental Assessment Exhibit 8

IV. Business Matters – continued

C. Consideration of Issuer’s Counsel Documents

- Developer’s Declaration of Consent Exhibit 9
- Supplemental Disclosure of Public Finance Exhibit 10
- Supplemental Notice of Special Assessments Exhibit 11
- Acquisition Agreement Exhibit 12
- Collateral Assignment Exhibit 13

D. Consideration of Construction Related Materials

- Special Warranty Deed Exhibit 14
- Acquisition of Work Product Exhibit 15

V. Consent Agenda

A. Ratification of Yellowstone Proposals Exhibit 16

- Pump Station Repair Part 2 - \$695.91
- Quarterly Well/Pump Inspection - \$239.73

B. Ratification of Pinel & Carpenter Property Valuation Agreement Exhibit 17

VI. Audience Comments (New Business)

VII. Staff Reports

- A. District Manager
- B. District Counsel
- C. Amenity Manager

VIII. Supervisors Requests

IX. Adjournment

EXHIBIT 1



Avalon Groves CDD Aquatics

Steadfast Environmental, LLC
30435 Commerce Drive Suite 102
San Antonio, FL 33576
813-836-7940 | office@SteadfastAlliance.com

Jorge Jaramillo
2/16/2021 9:16 AM

Steadfast Environmental
30435 Commerce Drive Suite 102
San Antonio, FL 33576
813-836-7940 | office@SteadfastEnv.com



Site: 24



Comments:
Minimal algae growth observed. Algae has been treated and is browning, should decompose soon. Will continue to monitor and treat accordingly.



Site: 27



Comments:
Water levels are up, all Cattails and other unwanted vegetation has been sprayed and beginning to decompose and no signs of algal activity.



Site: 29



Pond in great condition water level a little low, no signs of algae or any unwanted vegetation.



Site: 28

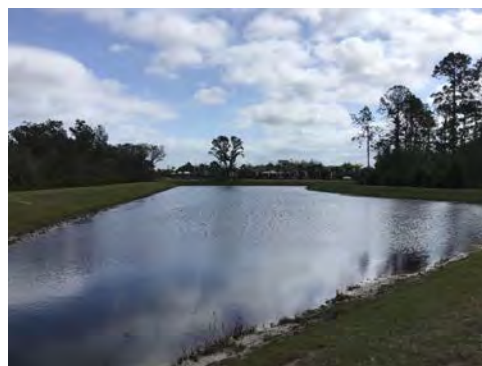


Comments:

Cattail growth around the pond perimeter continues to be targeted during routine maintenance visits. While the growth is well into the decomposition stage, we recommend a physical removal for instant results.



Site: 1



Pond in great condition, no recommendations at this time, further monitoring and necessary treatment will continue.

Site: 26



Pond in great condition, no recommendations at this time, further monitoring and necessary treatment will continue.

Site: 23

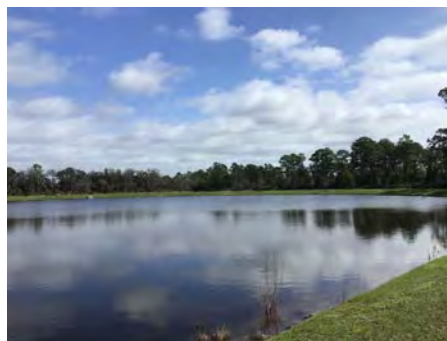
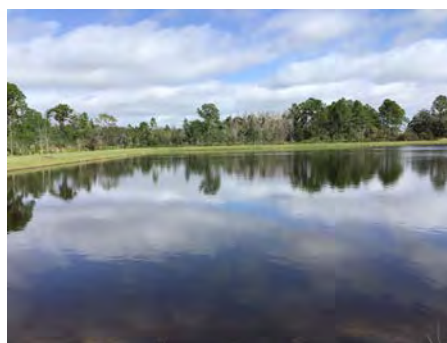


Previously targeted Cattail growth continues to decompose. As with pond #28, a physical removal would produce instant results regarding the Cattails. SE can provide a quote if desirable.

Site: 22



Pond is in great condition no signs of algae. All unwanted vegetation has been treated.



Site: 31



Torpedograss and Cattail growth has been successfully targeted. Monitoring and follow up treatment will be in effect.



Site: 30



Torpedograss has been treated along with other unwanted vegetation. Minimal new algal activity was observed. Algae will be treated next visit





Management Summary

Focal points of treatment during February have been centered around algal growth in shallow areas of the ponds. Additionally, technicians on-site are in prevention and preparation mode for invasive growth that may be storing its nutrients in the roots and rhizomes for growth in the spring.

Pre-emergent is currently being utilized at a reduced rate in order to target exposed shoreline soils against Torpedograss, Primrose Willow and submersed vegetation such as Slender Spikerush and Alligatorweed.

Ponds #28 & #23 each contain previously targeted Cattail growth. While the vegetation is currently well into the decomposition stage, we recommend a physical removal of the debris for instant results. SE previously submitted a quote to perform the work on #28 and can provide one if desirable for pond #23.

Otherwise we are pleased to see that algal activity remains low within the majority of waterways on site. Any minimal algal activity observed was treated and will be followed up with during future maintenance visits.

Recommendations / Action Items

- Monitor algal growth.
- Physical removals of Cattails on Pond #23 & #28.

Thank you for choosing Steadfast Environmental!

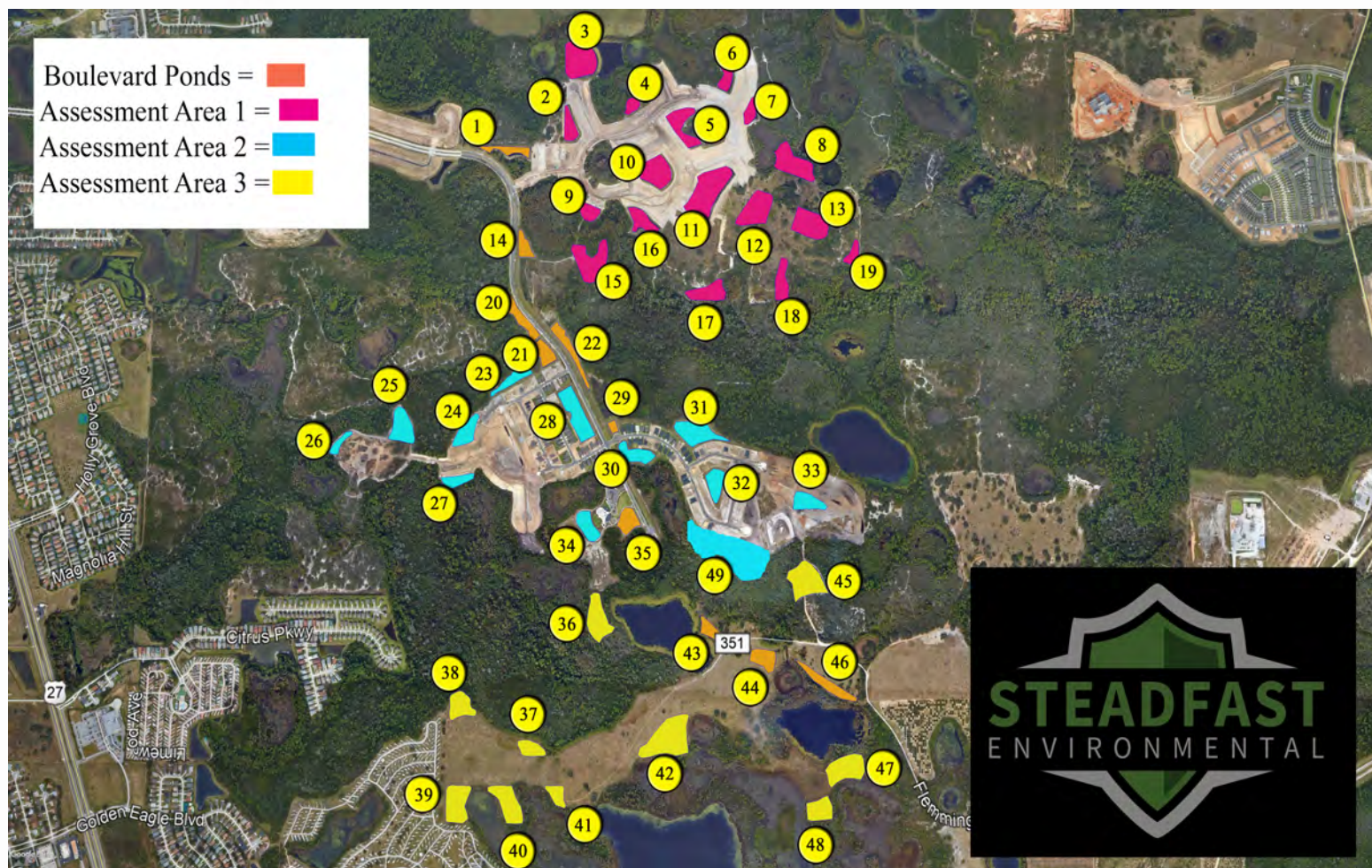


EXHIBIT 2

1 **MINUTES OF MEETING**

2 **AVALON GROVES**

3 **COMMUNITY DEVELOPMENT DISTRICT**

4 The Regular Meeting of the Board of Supervisors of the Avalon Groves Community
5 Development District was held on Thursday, January 28, 2021 at 11:30 a.m., at 17555 Sawgrass
6 Bay Blvd, Clermont, Florida with Zoom conference Call Available.

7
8 **FIRST ORDER OF BUSINESS – Roll Call**

9 Ms. Thibault called the meeting to order and conducted roll call.

10 Present and constituting a quorum were:

11 Brad Walker	Board Supervisor, Assistant Secretary
12 Jon Seifel	Board Supervisor, Assistant Secretary
13 Candice Smith	Board Supervisor, Assistant Secretary

14 Also present were:

15 Patricia Thibault	District Manager, DPFG Management & Consulting
16 Christopher Cleveland	DPFG Management & Consulting
17 Jere Earlywine	District Counsel, Hopping Green & Sams
18 Stephen Sanford (<i>via phone</i>)	Bond Counsel, Greenberg Traurig LLP
19 Dana Bryant	Yellowstone Landscape

20 *The following is a summary of the discussions and actions taken at the January 28, 2021 Avalon Groves*
21 *CDD Board of Supervisors meeting.*

22 **SECOND ORDER OF BUSINESS – Audience Comments**

23 There being none, the next item followed.

24 **THIRD ORDER OF BUSINESS – Administrative Matters**

25 A. Seat 3 – Brad Walker

26 B. Seat 4 – Jon Seifel

27 C. Seat 5 – Candice Smith

28 D. Exhibit 1: Oath of Office

29 Mr. Walker, Ms. Smith, and Mr. Seifel gave their Oaths of Office.

30 Mr. Walker opted to waive his compensation.

31 Ms. Smith opted to accept her compensation.

32 Mr. Seifel opted to waive his compensation.

33 E. Exhibit 2: Form 1

34 F. Exhibit 3: Consideration & Adoption of **Resolution 2021-03**, Certifying Election Results

35 Ms. Thibault advised that the Resolution would need to be corrected to include Ms. Smith.

On a MOTION by Mr. Walker, SECONDED by Ms. Smith, WITH ALL IN FAVOR, the Board approved **Resolution 2021-03**, Certifying Election Results, pending corrections, for the Avalon Groves Community Development District.

G. Exhibit 4: Consideration & Adoption of **Resolution 2021-04**, Designating Officers

On a MOTION by Ms. Smith, SECONDED by Mr. Walker, WITH ALL IN FAVOR, the Board approved the designation of Mr. Harvey as Chairman of the Board of Supervisors for the Avalon Groves Community Development District.

On a MOTION by Mr. Walker, SECONDED by Mr. Seifel, WITH ALL IN FAVOR, the Board approved the designation of Ms. Smith as Chairman of the Board of Supervisors for the Avalon Groves Community Development District.

Following the motion, Ms. Thibault stated that she would serve as Secretary and Treasurer, Mr. Cleveland, Ms. Leger, and the remaining Supervisors would serve as Assistant Secretaries, and Mr. Aagaard would serve as Assistant Treasurer.

On a MOTION by Ms. Smith, SECONDED by Mr. Seifel, WITH ALL IN FAVOR, the Board adopted **Resolution 2021-04**, Designating Officers for the Avalon Groves Community Development District.

FOURTH ORDER OF BUSINESS – Administrative Matters

A. Exhibit 5: Steadfast Environmental – Waterway Inspection

There were no questions or comments from the Board on the report.

➤ Exhibit 6: Consideration of Flush Cut Around Pond #5 Proposal - \$5,040.00

On a MOTION by Mr. Walker, SECONDED by Ms. Smith, WITH ALL IN FAVOR, the Board approved the Steadfast Environmental Pond #5 Flush Cut Proposal, in the amount of \$5,040.00, for the Avalon Groves Community Development District.

B. Exhibit 7: Consideration for Approval – The Minutes of the Board of Supervisors Regular Meeting Held October 22, 2020

On a MOTION by Mr. Walker, SECONDED by Mr. Seifel, WITH ALL IN FAVOR, the Board approved the Minutes of the Board of Supervisors Regular Meeting held on October 22, 2020 for the Avalon Groves Community Development District.

C. Consideration for Acceptance – The December 2020 Unaudited Financial Report

Ms. Thibault advised that this item would be brought back to the next meeting for acceptance.

D. Exhibit 8: Presentation of the January Field Operations Report

FIFTH ORDER OF BUSINESS – Business Items

A. Exhibit 9: Presentation of Supplemental Engineer's Report

B. Exhibit 10: Presentation of Supplemental Assessment Report

Ms. Thibault advised that this item was in substantial form. Mr. Earlywine advised as to the reports and details regarding bond issuance.

C. Exhibit 11: Consideration & Adoption of **Resolution 2021-05**, Delegated Award Resolution

Mr. Sanford gave an overview of the Resolution and associated documents.

On a MOTION by Ms. Smith, SECONDED by Mr. Walker, WITH ALL IN FAVOR, the Board adopted **Resolution 2021-05**, Delegated Award Resolution for the Avalon Groves Community Development District.

D. Consideration of Appraisal for Land Acquisition

E. Exhibit 12: Consideration & Adoption of **Resolution 2021-06**, Authorizing Boundary Amendment

On a MOTION by Ms. Smith, SECONDED by Mr. Walker, WITH ALL IN FAVOR, the Board adopted **Resolution 2021-06**, Authorizing Boundary Amendment for the Avalon Groves Community Development District.

F. Exhibit 13: Presentation of E-Verify Memo

G. Exhibit 14: Presentation & Consideration of E-Verify Memorandum of Understanding for Employers

Ms. Thibault gave an overview of the E-Verification process.

On a MOTION by Ms. Smith, SECONDED by Mr. Walker, WITH ALL IN FAVOR, the Board approved the authorization of staff to enter the District into the E-Verify system, for the Avalon Groves Community Development District.

H. Exhibit 15: Consideration of Partial Release of Regulatory Conservation Easement in Exchange for Substitute Mitigation for the Sanctuary (f/k/a Pacific Ace) – Avalon Groves, Permit No. IND-069-135777-3

On a MOTION by Ms. Smith, SECONDED by Mr. Seifel, WITH ALL IN FAVOR, the Board accepted the Partial Release of Regulatory Conservation Easement in Exchange for Substitute Mitigation for the Sanctuary (f/k/a Pacific Ace) – Avalon Groves, Permit No. IND-069-135777-3, for the Avalon Groves Community Development District.

I. Exhibit 16: Consideration of FMS Bonds Series 2021 Bonds Rule G-17 Disclosure Letter

On a MOTION by Mr. Walker, SECONDED by Ms. Smith, WITH ALL IN FAVOR, the Board accepted the FMS Bonds Series 2021 Bonds Rule G-17 Disclosure Letter, for the Avalon Groves Community Development District.

SIXTH ORDER OF BUSINESS – Consent Agenda

A. Exhibit 17: Ratification of **Resolution 2021-02**, Amending FY 2021 Budget

Ms. Thibault clarified that the Resolution was to amend the FY 2020 Budget.

B. Exhibit 18: Ratification of Lighting Services Agreement Amendment #2

C. Exhibit 19: Ratification of Yellowstone Proposals

- Phase 3 Mowing – November - \$1,182.22

- 106 ➤ Village 1 Backflows - \$3,698.73
107 ➤ Pump Station Repair Part 2 - \$695.91

108 On a MOTION by Ms. Smith, SECONDED by Mr. Walker, WITH ALL IN FAVOR, the Board approved
109 the ratification of all items on the Consent Agenda, for the Avalon Groves Community Development
110 District.

111 **SEVENTH ORDER OF BUSINESS – Audience Comments – New Business**

112 There being none, the next item followed.

113 **EIGHTH ORDER OF BUSINESS – Staff Reports**

114 A. District Manager

115 There being none, the next item followed.

116 B. District Counsel

117 There being none, the next item followed.

118 C. Amenity Manager

119 There being none, the next item followed.

120 **NINTH ORDER OF BUSINESS – Supervisors Requests**

121 There being none, the next item followed.

122 **TENTH ORDER OF BUSINESS – Adjournment**

123 Ms. Thibault asked for final questions, comments, or corrections before requesting a motion to
124 adjourn the meeting. There being none, Ms. Smith made a motion to adjourn the meeting.

125 On a MOTION by Ms. Smith, SECONDED by Mr. Walker, WITH ALL IN FAVOR, the Board adjourned
126 the meeting for the Avalon Groves Community Development District.

127 **Each person who decides to appeal any decision made by the Board with respect to any matter considered*
128 *at the meeting is advised that person may need to ensure that a verbatim record of the proceedings is made,*
129 *including the testimony and evidence upon which such appeal is to be based.*

130 **Meeting minutes were approved at a meeting by vote of the Board of Supervisors at a publicly noticed**
131 **meeting held on _____.**

132

133

134

Signature

Signature

Printed Name

Printed Name

135 **Title:** ☐ Secretary ☐ Assistant Secretary

Title: ☐ Chairman ☐ Vice Chairman

EXHIBIT 3

Avalon Groves Community Development District

Summary Financial Statements
(Unaudited)

Period Ending
January 31, 2021

Avalon Groves Community Development District
Balance Sheet
Unaudited
January 31, 2021

	GENERAL FUND	2017 (AA1)	2017A-1 (AA2)	2017A-2 (AA2)	2019	CIP (AA1)	CIP A-1 (AA2)	CIP A-2 (AA2)	CIP 2019	TOTAL
<u>ASSETS:</u>										
CASH	\$ 1,179,725	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20	\$ -	\$ -	\$ 1,179,745
INVESTMENTS:										
REVENUE FUND	-	34,857	1	1	89,060	-	-	-	-	123,920
CAP INTEREST	-	0	0	0	0	-	-	-	-	1
DS RESERVE	-	175,702	520,024	-	105,300	-	-	-	-	801,027
COST OF ISSUANCE	-	-	-	-	13,159	-	-	-	-	13,159
PREPAYMENT ACCOUNT	-	1,807	29,195	7,796	-	-	-	-	-	38,798
SINK FUND ACCT (AA2)	-	2	4	-	0	-	-	-	-	7
ACQ. & CONST. 2017 (AA1)	-	-	-	-	-	0	-	-	-	0
ACQ. & CONST. 2017A-1 (AA2)	-	-	-	-	-	-	2	-	-	2
ACQ. & CONST. 2017A-2 (AA2)	-	-	-	-	-	-	-	57,976	-	57,976
ACQ. & CONST. 2019	-	-	-	-	-	-	-	-	1,170	1,170
PREPAID ITEMS	-	-	-	-	-	-	-	-	-	-
DUE FROM GF	-	118	830	280	5,529	-	-	-	-	6,756
ON ROLL - RECEIVABLE ASSMT.	21,597	2,318	17,162	-	-	-	-	-	-	41,077
DEPOSITS	1,587	-	-	-	-	-	-	-	-	1,587
TOTAL ASSETS	\$ 1,202,909	\$ 214,805	\$ 567,217	\$ 8,077	\$ 213,049	\$ 0	\$ 22	\$ 57,976	\$ 1,170	\$ 2,265,225
<u>LIABILITIES:</u>										
ACCOUNTS PAYABLE	\$ 4,144	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,144
ACCRUED EXPENSES	-	-	-	-	-	-	-	-	-	-
DUE TO DEBT SERVICE	681,856	-	-	-	-	-	-	-	-	681,856
DUE TO CONSTRUCTION	-	-	-	-	-	-	-	-	-	-
ON ROLL - DEFERRED REVENUE	21,597	2,318	17,162	-	5,529	-	-	-	-	46,606
RETAINAGE PAYABLE	-	-	-	-	-	-	-	-	-	-
<u>FUND BALANCE:</u>										
NONSPENDABLE:										
PREPAID AND DEPOSITS	1,587	-	-	-	-	-	-	-	-	1,587
ASSIGNED:										
OPERATING RESERVES	-	-	-	-	-	-	-	-	-	-
RESERVES - ROADWAYS	-	-	-	-	-	-	-	-	-	-
UNASSIGNED:	493,725	212,487	550,054	8,077	207,520	0	22	57,976	1,170	1,531,032
TOTAL LIABILITIES & FUND BALANCE	\$ 1,202,909	\$ 214,805	\$ 567,217	\$ 8,077	\$ 213,049	\$ 0	\$ 22	\$ 57,976	\$ 1,170	\$ 2,265,225

Avalon Groves Community Development District
Statement of Revenue, Expenditures And Change In Fund Balance
For The Period Ending January 31, 2021

	FY2020 ADOPTED BUDGET	BUDGET YEAR-TO-DATE	ACTUAL YEAR-TO-DATE	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES				
ON ROLL ASSESSMENTS	\$ 515,807	171,936	\$ 514,128	\$ 342,192
EXCESS FEES	-	-	741	741
DEVELOPER FUNDING			16,332	
MISCELLANEOUS REVENUE			3,500	
LOT CLOSINGS			2,853	
TOTAL REVENUES	515,807	171,936	537,553	342,933
EXPENDITURES				
GENERAL ADMINISTRATIVE				
DISTRICT MANAGEMENT SERVICES	32,000	10,667	4,000	6,667
BANK FEES	150	50		50
AUDITING	2,750	2,750		2,750
REGULATORY & PERMIT FEES	175	175	175	-
LEGAL ADVERTISEMENTS	4,000	1,333	1,921	(588)
ENGINEERING SERVICES	12,000	4,000	8,428	(4,428)
LEGAL SERVICES	25,000	8,333	1,407	6,927
TECHNOLOGY & WEBSITE ADMIN.	1,650	1,650	2,015	(365)
MISCELLANEOUS (appraisal, etc.)	500	167	-	167
BOS MEETING	-	-	200	(200)
TOTAL GENERAL ADMINISTRATIVE	78,225	29,125	18,146	11,179
INSURANCE				
INSURANCE	7,900	7,900	7,581	319
TOTAL INSURANCE	7,900	7,900	7,581	319
DEBT SERVICE ADMIN.				
DISCLOSURE REPORT	5,000	5,000	-	5,000
ARBITRAGE REBATE	1,500	1,500	-	1,500
TRUSTEE FEES	10,500	10,500	-	10,500
TOTAL DEBT ADMINISTRATION	17,000	17,000	-	17,000
UTILITIES				
UTILITIES-ELECTRICITY	2,500	2,500	1,525	975
STREETLIGHTS	150,000	50,000	37,500	12,500
UTILITY CONTINGENCY	30,000	10,000	5,739	4,261
TOTAL UTILITIES	182,500	62,500	44,764	17,736
PHYSICAL ENVIRONMENT				
LAKE & POND MAINTENANCE	25,600	8,533	9,340	(806)
LANDSCAPE MAINTENANCE	247,520	82,507	74,904	7,602
LANDSCAPE - REPLENISHMENT	15,000	15,000	2,121	12,879
WETLAND MITIGATION & MAINTENANCE	32,000	20,800	1,800	19,000
FIELD MANAGEMENT	6,000	2,000	-	2,000
FIELD CONTINGENCY	25,000	8,333	-	8,333
HARDSCAPE REPAIRS & MAINT.	5,000	1,667	-	1,667
BUILDOUT CONTINGENCY	-	-	-	-
TOTAL PHYSICAL ENVIRONMENT EXPENDITURES	356,120	138,840	88,165	50,675
INTEREST EXPENSE			16,332	
TOTAL EXPENDITURES	641,745	255,365	174,987	96,910
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(125,938)	(83,429)	362,566	445,995
FUND BALANCE - BEGINNING	-	-	132,746	-
FUND BALANCE - ENDING	\$ (125,938)	\$ (83,429)	\$ 495,312	\$ 445,995

Avalon Groves Community Development District
SERIES 2017A-1 (AA1)
For The Period Starting October 1, 2020 Ending January 31, 2020

	<u>FY2020 ADOPTED BUDGET</u>	<u>BUDGET YEAR-TO-DATE</u>	<u>ACTUAL YEAR-TO-DATE</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUE				
SPECIAL ASSESSMENTS - ON/OFF ROLL	\$ 185,153	185,153	\$ 79,613	\$ (105,540)
INTEREST	-	-	8	8
LESS: DISCOUNT ASSESSMENTS (4%)	<u>(7,715)</u>	<u>(7,715)</u>	<u>-</u>	<u>7,715</u>
TOTAL REVENUE	<u>177,438</u>	<u>177,438</u>	<u>79,621</u>	<u>(97,817)</u>
EXPENDITURES				
COUNTY - ASSESSMENT COLLECTION FEES	7,715	7,715	-	7,715
INTEREST EXPENSE			66,106	
NOVEMBER 1, 2020	66,981	66,981	-	66,981
MAY 1, 2020	66,106	66,106	-	66,106
PRINCIPAL RETIREMENT				
MAY 1, 2019	<u>35,000</u>	<u>35,000</u>	<u>25,000</u>	<u>10,000</u>
TOTAL EXPENDITURES	<u>175,802</u>	<u>175,802</u>	<u>91,106</u>	<u>150,802</u>
EXCESS REVENUE OVER (UNDER) EXPEND.	1,636	1,636	(11,486)	(248,619)
TRANSFER IN			(38,097)	
TRANSFER OUT			-	
FUND BALANCE - BEGINNING		-	262,070	262,070
FUND BALANCE - ENDING	<u>\$ 1,636</u>	<u>\$ 1,636</u>	<u>\$ 212,487</u>	<u>\$ 13,450</u>

Avalon Groves Community Development District
SERIES 2017A-1 (AA2)
For The Period Starting October 1, 2020 Ending January 31, 2020

	<u>FY2020 ADOPTED BUDGET</u>	<u>BUDGET YEAR-TO-DATE</u>	<u>ACTUAL YEAR-TO-DATE</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUE				
SPECIAL ASSESSMENTS - ON/OFF ROLL	\$ 559,241	186,414	\$ 830	\$ (185,584)
SPECIAL ASSESSMENTS - DEVELOPER - LENNAR (NET)				
INTEREST	-	-	20	20
MISCELLANEOUS REVENUE	(23,302)	(23,302)	16,332	39,634
TOTAL REVENUE	<u>535,939</u>	<u>163,112</u>	<u>17,182</u>	<u>(145,930)</u>
EXPENDITURES				
COUNTY - ASSESSMENT COLLECTION FEES (3.5%)	23,302	23,302	-	23,302
INTEREST EXPENSE			-	-
NOVEMBER 1, 2019	210,131	210,131	207,444	2,687
MAY 1, 2020	207,444	207,444	-	207,444
PRINCIPAL RETIREMENT				
MAY 1, 2019	100,000	100,000	30,000	70,000
TOTAL EXPENDITURES	<u>540,877</u>	<u>540,877</u>	<u>237,444</u>	<u>303,433</u>
EXCESS REVENUE OVER (UNDER) EXPEND.	(4,938)	(377,765)	(220,262)	(449,363)
TRANSFER IN			94,086	
TRANSFER OUT			-	
FUND BALANCE - BEGINNING		-	676,231	676,231
FUND BALANCE - ENDING	<u>\$ (4,938)</u>	<u>\$ (377,765)</u>	<u>\$ 550,054</u>	<u>\$ 226,868</u>

Avalon Groves Community Development District

12

SERIES 2017A-2 (AA2)

For The Period Starting October 1, 2020 Ending January 31, 2020

	ACTUAL YEAR-TO-DATE
I. REVENUE	
SPECIAL ASSESSMENTS - ON/OFF ROLL	\$ 280
INTEREST	0
LESS: DISCOUNT ASSESSMENTS (4%)	-
TOTAL REVENUE	280
II. EXPENDITURES	
COUNTY - ASSESSMENT COLLECTION FEES	-
INTEREST EXPENSE	-
MAY 1, 2019	-
NOVEMBER 1, 2019	-
PRINCIPAL PREPAYMENT	-
MAY 1, 2019	-
TOTAL EXPENDITURES	-
EXCESS REVENUE OVER (UNDER) EXPEND.	280
TRANSFER IN	
TRANSFER OUT	-
FUND BALANCE - BEGINNING	7,797
FUND BALANCE - ENDING	\$ 8,077

8,077.10
-

Avalon Groves Community Development District
SERIES 2019
For The Period Starting October 1, 2020 Ending January 31, 2020

	<u>FY2020 ADOPTED BUDGET</u>	<u>BUDGET YEAR-TO-DATE</u>	<u>ACTUAL YEAR-TO-DATE</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUE				
SPECIAL ASSESSMENTS - ON/OFF ROLL	\$ 228,907	228,907	\$ 131,858	\$ (97,049)
LOT CLOSINGS DR HORTON			89,055	
INTEREST	-	-	7	7
LESS: DISCOUNT ASSESSMENTS (4%)	(9,156)	(9,156)	-	9,156
TOTAL REVENUE	<u>219,751</u>	<u>219,751</u>	<u>220,920</u>	<u>(87,886)</u>
EXPENDITURES				
COUNTY - ASSESSMENT COLLECTION FEES (3.5%)	9,156	9,156	-	9,156
INTEREST EXPENSE			-	
			-	
NOVEMBER 1, 2019	72,065	72,065	72,065	0
MAY 1, 2020	72,065	72,065	-	72,065
PRINCIPAL RETIREMENT				
MAY 1, 2019	65,000	65,000	65,000	-
TOTAL EXPENDITURES	<u>218,286</u>	<u>218,286</u>	<u>137,065</u>	<u>81,221</u>
EXCESS REVENUE OVER (UNDER) EXPEND.	1,465	1,465	83,855	(169,108)
TRANSFER IN				
TRANSFER OUT			(56,102)	
FUND BALANCE - BEGINNING		-	179,767	179,767
FUND BALANCE - ENDING	<u>\$ 1,465.00</u>	<u>\$ 1,465</u>	<u>\$ 207,520</u>	<u>\$ 10,659</u>

Avalon Groves Community Development District
Construction In Progress (AA1)
Statement of Revenue, Expenditures And Changes In Fund Balance
For The Period Starting October 1, 2020 Ending January 31, 2020

	ACTUAL YEAR-TO-DATE
REVENUES	
BOND PROCEEDS	\$ -
INTEREST	-
TOTAL REVENUES	-
EXPENDITURES	
REQUISITIONS	-
TRUSTEE FEES	-
TOTAL EXPENSE	-
TOTAL EXPENDITURES	-
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	-
TRANSFER IN	-
TRANSFER OUT	-
FUND BALANCE - BEGINNING	-
FUND BALANCE - ENDING	\$ -

Avalon Groves Community Development District
Construction In Progress A-1 (AA2)
Statement of Revenue, Expenditures And Changes In Fund Balance
For The Period Starting October 1, 2020 Ending January 31, 2020

	<u>ACTUAL</u> <u>YEAR-TO-DATE</u>
REVENUES	
NET PROCEEDS	\$ -
INTEREST	2
TOTAL REVENUES	<u>2</u>
EXPENDITURES	
CONSTRUCTION IN PROGRESS	-
TRUSTEE FEES	-
TOTAL EXPENSE	<u>-</u>
TOTAL EXPENDITURES	<u>-</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	2
TRANSFER IN	-
TRANSFER OUT	-
FUND BALANCE - BEGINNING	21
FUND BALANCE - ENDING	<u><u>\$ 23</u></u>

Avalon Groves Community Development District
Construction In Progress A-2 (AA2)
Statement of Revenue, Expenditures And Changes In Fund Balance
For The Period Starting October 1, 2020 Ending January 31, 2020

	<u>ACTUAL YEAR-TO-DATE</u>
REVENUES	
DEVELOPER FUNDING	-
INSURANCE CLAIM	\$ -
INTEREST	904
TOTAL REVENUES	<u>904</u>
EXPENDITURES	
REQUISITIONS	52,063
TRUSTEE FEES	-
TOTAL EXPENSE	<u>52,063</u>
TOTAL EXPENDITURES	<u>52,063</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(51,159)
TRANSFER IN	2,998
TRANSFER OUT	-
FUND BALANCE - BEGINNING	106,137
FUND BALANCE - ENDING	<u><u>\$ 57,976</u></u>

Avalon Groves Community Development District
Construction In Progress 2019
Statement of Revenue, Expenditures And Changes In Fund Balance
For The Period Starting October 1, 2020 Ending January 31, 2020

	<u>ACTUAL YEAR-TO-DATE</u>
REVENUES	
DEVELOPER FUNDING	\$ -
INSURANCE CLAIM	-
INTEREST	-
TOTAL REVENUES	<u>-</u>
EXPENDITURES	
REQUISITIONS	-
TRUSTEE FEES	-
TOTAL EXPENSE	<u>-</u>
TOTAL EXPENDITURES	<u>-</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	-
TRANSFER IN	114
TRANSFER OUT	-
FUND BALANCE - BEGINNING	1,056
FUND BALANCE - ENDING	<u><u>\$ 1,170</u></u>

Avalon Groves Community Development District
Bank Reconciliation
January 31, 2021

	<u>BU</u>
Balance Per Bank Statement	\$ 1,182,458.28
Less: Outstanding AP Checks	(2,712.82)
<i>Adjusted Bank Balance</i>	<u>\$ 1,179,745.46</u>
Beginning Bank Balance Per Books	\$ 1,172,958.38
Deposits & Interest	33,326.32
Cash Disbursements	(26,539.24)
<i>Balance Per Books</i>	<u>\$ 1,179,745.46</u>

Avalon Groves CDD

Check Register Operating Account

FY 2020

DATE	CK NO.	PAYEE	TRANSACTION	DEPOSIT	DISBURSEMENT	BALANCE
9/30/2020	EOY		Balance	-	-	257,375.02

EXHIBIT 4

**AVALON GROVE
COMMUNITY DEVELOPMENT DISTRICT
FEBRUARY 2021
FIELD INSPECTION REPORT**

TABLE OF CONTENTS

Landscape:

- **Entrances**
- **Ponds & Fountain**
- **Amenity Center/Clubhouse**
- **Sod, Sidewalks and Irrigation**
- **Palm and Pine Tress**

Maintenance Map

ENTRANCES

These pictures show the condition of the monuments and surrounding landscape around the entrance to Bay Cedar Way and Sawgrass Blvd.



PONDS

These pictures show the condition of the Ponds, fountain, and surrounding turf.



PONDS

These pictures show the condition of the Ponds and surrounding turf.



AMENITY CENTER

These pictures show the condition of the trees and landscape at the Amenity Center.



~~PALM/PINE TREES~~

These pictures show the condition of the Palm Trees and Pine Trees along Sawgrass Blvd.



EXHIBIT 5



400 N. New York Avenue • Suite 206 • Winter Park, Florida 32789
P: 407.622.4500 • F: 407.622.4508 • www.hames-law.com

February 12, 2021

**Patricia Thibault
Avalon Grove CDD
DPFG Management & Consulting, LLC
250 International Parkway, Suite 280
Lake Mary, Florida 32746**

Re: Request for Grant of Easement

Dear Ms. Thibault:

I represent Arthur Eugene Langley and Mary S. Langley, Trustees under the Arthur Eugene Langley Living Trust dated January 23, 2009 (the "Trust"). The Trust owns the property comprising approximately 78 acres lying to the east of property owned by Avalon Groves CDD (the "CDD") abutting Sawgrass Bay Boulevard in Lake County, Florida. The Property owned by the Trust and the CDD are depicted in the two graphics attached. The first graphic has the Trust property outlined in **RED** while the property owned by the CDD is directly to the west, bearing the number 3909086. The second graphic depicts the Trust property and the CDD property is larger scale.

We would respectfully request that the CDD consider granting to the Trust, its successors and assigns, a 60 foot wide easement for ingress and egress across the CDD property from Sawgrass Bay Boulevard across the CDD property to the Trust property. A preliminary location of the easement could be in the lower section of the CDD property as depicted on the second graphic, while the preferred location of the easement would be in the upper section of the CDD property, as depicted.

All costs related thereto incurred by the CDD, including any legal, consulting, engineering, design, soils testing and survey fees and costs in reviewing and granting the request will be paid by the Trust, its successors and assigns. Of course, all costs related to the construction of the road in the easement granted will also be paid for in full by the Trust, its successors and assigns.

I would appreciate a favorable reply from the CDD indicating its willingness to in good faith consider this request and to work with the Trust us to secure the requested easement. We would be pleased to meet with you face to face if that would facilitate discussions

Thank you in advance for your consideration, and we look forward to your reply.

Sincerely,

A handwritten signature in blue ink, appearing to read "Laurence C. Hames", with a long horizontal flourish extending to the right.

Laurence C. Hames, Esq.





larger
supplemen
tal
frontage
preferred if
available.

supplemental frontage
(minimum shown in light green)
may be required for legal
access. Separation from
neighboring curb cuts may be
regulated.

EXHIBIT 6

**AVALON GROVES COMMUNITY DEVELOPMENT
DISTRICT
ENGINEER'S SUPPLEMENTAL REPORT -
2021 BOND ISSUANCE**

Prepared for:

**Board of Supervisors
Avalon Groves Community Development District**

Prepared by:

**Heidt Design, LLC
5806-B Breckenridge Parkway
Tampa, Florida 33610
813-253-5311**

February 1, 2021

TABLE OF CONTENTS

	<i>Page #</i>
TRANSMITTAL LETTER	1
INTRODUCTION	4
INFRASTRUCTURE IMPROVEMENTS	5
OWNERSHIP AND MAINTENANCE	7
PERMIT STATUS	7
SUMMARY OF COSTS	7
ENGINEER’S OPINION	8
EXHIBITS	
A. Assessment Area Legal Description	
B. Vicinity Map	
C. Concept Plan	
D. Aerial Map	
TABLES	
1. Ownership & Maintenance	
2. Opinion of Probable Cost	
3. Permit Status	

INTRODUCTION

This *Engineer's Supplemental Report – 2021 Bond Issuance* further supplements that prior *Preliminary Engineer's Report*, dated October 11, 2016 (“**Master Supplemental Engineer's Report**”), which was previously supplemented by that *District Engineer's Supplemental Report*, dated February 23, 2017 (“**2017 Engineer's Report**”), and that *Engineer's Supplemental Report – 2019 Bond Issuance*, dated July 19, 2019 (“**2019 Engineer's Report**”). The purpose of this report is to describe the District’s “**Assessment Area Three Project**,” which will provide infrastructure for Assessment Area Three. Assessment Area Three, as that term is used herein,¹ consists of approximately 276.516 acres of land also known as “Village 3.” Assessment Area Three is shown by the red boundary in **Exhibit B**.

As described in the Master Report, the Avalon Groves Community Development District (“**CDD**” or “**District**”) will ultimately consist of three assessment areas geographically positioned as depicted in the Vicinity Map in **Exhibit B** of this report. Assessment Area One is approximately 303 acres located in the northernmost portion of the District property and is established as a residential active adult community with approximately 580 lots. Assessment Area Two contains approximately 334 acres and is located in the central portion of the District property. The two residential tracts (Villages 1 and 2) are separated by the Sawgrass Bay Boulevard Right-of-Way and contain 479 single family detached residential units. Assessment Area Three, as used herein, is approximately 276.516 acres in total land area and is located in the southern portion of the District property. The public infrastructure to be built for the Assessment Area Three Project was not financed with the Series 2017 or the 2019 Bonds.

The 2017 Engineer's Report included infrastructure within Assessment Areas One and Two that contained approximately 1,059 residential housing units and various parks and recreational facilities. Also included was the construction of the Sawgrass Bay Boulevard extension from the northwest project boundary through Assessment Areas One and Two, wetland mitigation creation, listed species habitat mitigation creation and relocation costs, stormwater management facilities and associated infrastructure grading, entry monumentation, common area landscaping and irrigation, dry utilities, and recreational facilities for the initial phases of development.

¹ Assessment Area Three was originally established under District Resolution 2017-10 and the Master Report to refer to the 335-acre parcel shown by the black boundary of Assessment Area Three in **Exhibit B** (refer to Master Report for additional detail). The District does not intend to change the original boundary of Assessment Area Three. Instead, for simplicity of description in the District's offering statement issued in connection with the 2021 Bonds (defined herein), the name, “Assessment Area Three,” will refer to the 276.516-acre parcel under development by Pulte Home Company, LLC and shown by the red boundary in **Exhibit B**. The balance of the 335-acre Assessment Area Three, as defined in the Master Report, is expected to be privately developed, and thus is not expected to be subject to District bonds or debt assessments. To explain further and as reported by the master project developer, the master project developer's contributions of infrastructure, which include the third segment of the Sawgrass Bay Boulevard Extension as well as the future “neighborhood” improvements within the remaining portion of Assessment Area Three, are expected to be sufficient to offset any need to impose debt assessments on the remaining portion of Assessment Area Three (although operations and maintenance expenses may be appropriate).

The 2019 Engineer's Report included infrastructure within Assessment Area One. The improvements include the acquisition of land for construction of the stormwater management facilities and wetland conservation areas, grading and construction associated with stormwater management systems and professional fees associated with the improvements within Serenoa Active Adult Phases 1 and 2, a sub-assessment area within Assessment Area One.

The purpose of this Supplemental Engineer's Report is to provide a description of the improvements and land acquisition that is to be financed by the District's proposed 2021 bond issue ("**2021 Bonds**"). Public infrastructure and land improvements to be funded with the 2021 Bonds include the acquisition of land for construction of stormwater management facilities and wetland conservation areas, grading and construction associated with the stormwater management system, entry landscaping/irrigation and professional fees associated with the improvements. The improvements are located within Assessment Area Three, a/k/a Village 3, as shown on the Exhibits at the end of this report. These improvements are a subset of the residential improvements described in the Master Report but have not yet been funded by the District.

The Assessment Area Three Project, as presently planned, would include the following units:

Product Type	# of Units
40'	133
50'	115
60'	48
	296

This Supplemental Engineer's Report reflects the District's present intentions. The implementation and completion of any land purchase and any improvements outlined in this Supplemental Engineer's Report requires final approval by the District's Board of Supervisors, including the acquisition of completed improvements, work product and real property. Cost estimates contained in this Supplemental Engineer's Report have been prepared based on the best available information. Actual costs will vary based upon final plans, design, planning, approvals from regulatory authorities, inflation, etc. Nevertheless, all costs contained herein may be reasonably expected to adequately fund the improvements described, and contingency costs as included are reasonable.

ASSESSMENT AREA THREE PROJECT

The District presently intends to undertake certain public infrastructure improvements to be financed with the 2021 Bonds within Assessment Area Three of the District. As mentioned in the Master Report, a portion of these improvements will be funded by the 2021 Bonds and a portion will be funded by the Developer. The construction and maintenance of the proposed improvements are necessary and will benefit the property within Assessment Area Three. A more specific description of each of these items follows and the related costs are provided in Table 2.

LAND ACQUISITION

The District intends to acquire wetland and upland areas that are necessary for the lands that are needed to meet regulatory requirements related to wetland systems, stormwater management systems, wetland setbacks, and other stormwater infrastructure improvements. It is anticipated that approx. 128.83 acres of wetlands/wetland setbacks and 36.22 acres of uplands/stormwater facilities located within Assessment Area Three will be conveyed to the District as part of the 2021 Bond financing and include the following tracts, as shown on the approved construction plans.

Drainage: 100, 110, 120, 130, 140, 150,

Floodplain: FP 100, FP 200, FP 300, FP 400, FP 500, FP 600, FP 700

Wetland Conservation/Setbacks: 2, 3, 12, 41

As directed by the District's bond counsel, the District will pay the lesser of the cost basis or appraised value with respect to any land acquisition.

MASTER ROADS AND STREETS

There are no master roadway improvements associated with the 2021 Bonds.

The adjacent Sawgrass Bay Boulevard Extension, from Assessment Area 2 and through Assessment Area 3, has been completed and accepted by Lake County. This construction of this portion of the roadway was developer funded and, for that reason, no costs for the Sawgrass Bay Boulevard Extension are included in the Assessment Area Three Project costs. Additionally, the Sawgrass Bay Boulevard Extension is not within the defined Assessment Area Three Project.

The local roadways within the Assessment Area Three Project are also developer funded and will remain privately owned and maintained. Therefore, the internal roadway infrastructure costs are not included in the Assessment Area Three Project costs.

MASTER WATER AND WASTEWATER

There are no master water or wastewater improvements associated with the 2021 Bonds. Similar to the Master Roads and Streets, the utilities in Sawgrass Bay Blvd Extension and within the Assessment Area Project are developer funded and privately owned and maintained.

SURFACE WATER MANAGEMENT

The District will provide the surface water management infrastructure for the Assessment Area Three Project in accordance with St. Johns River Water Management District (SJRWMD) and U.S. Army Corps of Engineers (ACOE) permit approvals. Material excavated from surface water management ponds and floodplain management ponds is anticipated to remain within the Assessment Area Three. Considering that there is no public infrastructure within the Assessment Area Three Project, the excavation material will be stockpiled adjacent to the ponds. Any grading

in connection with the preparation of pads for private home sites or on other private property will not be funded by the District. Any material excavated from ponds or mitigation areas constructed on lands owned by the District shall be used only for stormwater improvements serving the Assessment Area Three Project. Any excess material removed from the ponds, if applicable, will be disposed of by the Developer and at the Developer's cost. Components of the surface water management infrastructure related to the 2021 Bonds are described below:

Stormwater Management Ponds: 100, 110, 120, 130, 140, 150,

Floodplain Compensation Ponds: FP 100, FP 200, FP 300, FP 400, FP 500, FP 600, FP 700

Wetland Mitigation: None

Wetland Conservation/Setback Areas: Wetland 2, 3, 12, 41

The surface water management system serving the Assessment Area Three Project includes proper grading and fill for the construction of the curb and gutters within the neighborhood roadways, as well as the costs of the curb and gutter itself. These improvements will be maintained pursuant to a perpetual easement over the right-of-ways.

ENTRY FEATURES

The Assessment Area Three Project includes landscaping, irrigation and monument signs at the entrance of Village 3. These improvements will be located outside and not a functional part of the gated entrance. The improvements will be located in Tracts D-1 (Drainage and Wall) and D-2 (Drainage and Wall).

PARKS AND RECREATION FACILITIES

There are no Parks and Recreation improvements associated with the 2021 Bonds.

DRY UTILITIES FACILITIES

There are no Dry Utility improvements associated with the 2021 Bonds.

PROFESSIONAL FEES

Professional Fees include civil engineering costs for site design, permitting, inspection, and master planning, geotechnical costs for pre-design soil borings, underdrain analysis, and construction staking, all in regard to the improvements associated with the 2021 Bonds. Also included in this category are fees associated with environmental consultation and permitting.

The infrastructure, as outlined above, is necessary for the functional development of Assessment Area Three as required by the applicable independent unit of local government. The planning and design of the infrastructure is in accordance with current governmental regulatory requirements. The infrastructure will provide its intended function so long as the construction is in substantial compliance with the design and permits.

OWNERSHIP & MAINTENANCE

Ownership and maintenance of the improvements is generally anticipated as set forth in Table 1.

It is anticipated that, in addition to the annual non-ad valorem assessments to be levied and collected by the District to pay debt service on its bonds, the District will levy and collect an annual “Maintenance Assessment” to be determined, assessed, and levied by the District’s Board of Supervisors upon the assessable real property within Assessment Area Three for the purpose of defraying the cost and expenses of maintaining the improvements.

PERMIT STATUS

The required infrastructure improvements for the Assessment Area Three Project are contained in the following construction plans titled Serenoa Village 3 – Phase 1, 2 & 3, prepared by Heidt Design, LLC, and the landscape plans titled Serenoa Lakes AKA Serenoa Village 3 Hardscape Architecture, prepared by Bonnett Design Group, LLC.

The USACOE permits have been pursued where needed to offset federal wetland impacts. In addition, wildlife surveys were initially completed at the start of the project and have been updated with each phase of development.

The permit status of all permits issued to date or in process can be found in Table 3. Preliminary Plats, and Construction Plans have been approved by the St. John’s Water Management District, Lake County and the Florida Department of Environmental Protection for Village 3.

We are of the opinion that all permits not heretofore issued or in process and which are necessary to effect the improvements described herein will be obtained during the ordinary course of development.

SUMMARY OF COSTS

The estimated cost of the Assessment Area Three Project is as set forth in Table 2 at the end of this report.

ENGINEER'S OPINION

It is our professional opinion that the summary of costs listed in Table 2 is sufficient to complete the construction and acquisition of the items intended.

It is my professional opinion that these infrastructure improvements will benefit and add value to the assessable lands within the Assessment Area Three. Such assessable property within Assessment Area Three will receive a special benefit from the improvements in the Assessment Area Three Project, which benefit will be at least equal to the cost of such improvements. Infrastructure costs are for public improvements or community facilities as set forth in section 190.012(1) and (2) of the Florida Statutes.

The estimate of infrastructure construction costs is only an estimate and not a guaranteed maximum price. The estimated cost is based on unit prices currently being experienced for ongoing and similar items of work in Lake County and quantities as represented on construction plans. In no event will the District pay more than the actual cost or fair market value of the public improvements constituting the Assessment Area Three Project, whichever is the least.

All of the foregoing improvements are required by applicable development approvals. Note that there are no impact fee or similar credits available from the construction of any such improvements.

The labor market, future costs of equipment and materials, increased regulatory actions, and the actual construction process are all beyond control of the District. Due to this inherent opportunity for fluctuation of cost, the total final cost may be more or less than this estimate.

Assuming project construction continues in a timely manner, it is our opinion that the proposed improvements, if constructed and built in substantial accordance with the approved plans and specifications, can be completed and meets their intended functions. Where necessary, historical costs, and information from other professional or utility consultants and contractors have been used in preparation of this report. Consultants and contractors who have contributed in providing the cost data included in this report are from reputable entities in the Lake County area. It is therefore our opinion that the construction of the proposed project can be completed at the cost stated.



Timothy M. Plate, P.E.

Florida Registered Engineer No. 41153

Exhibit A

2021 Assessment Area Legal Description

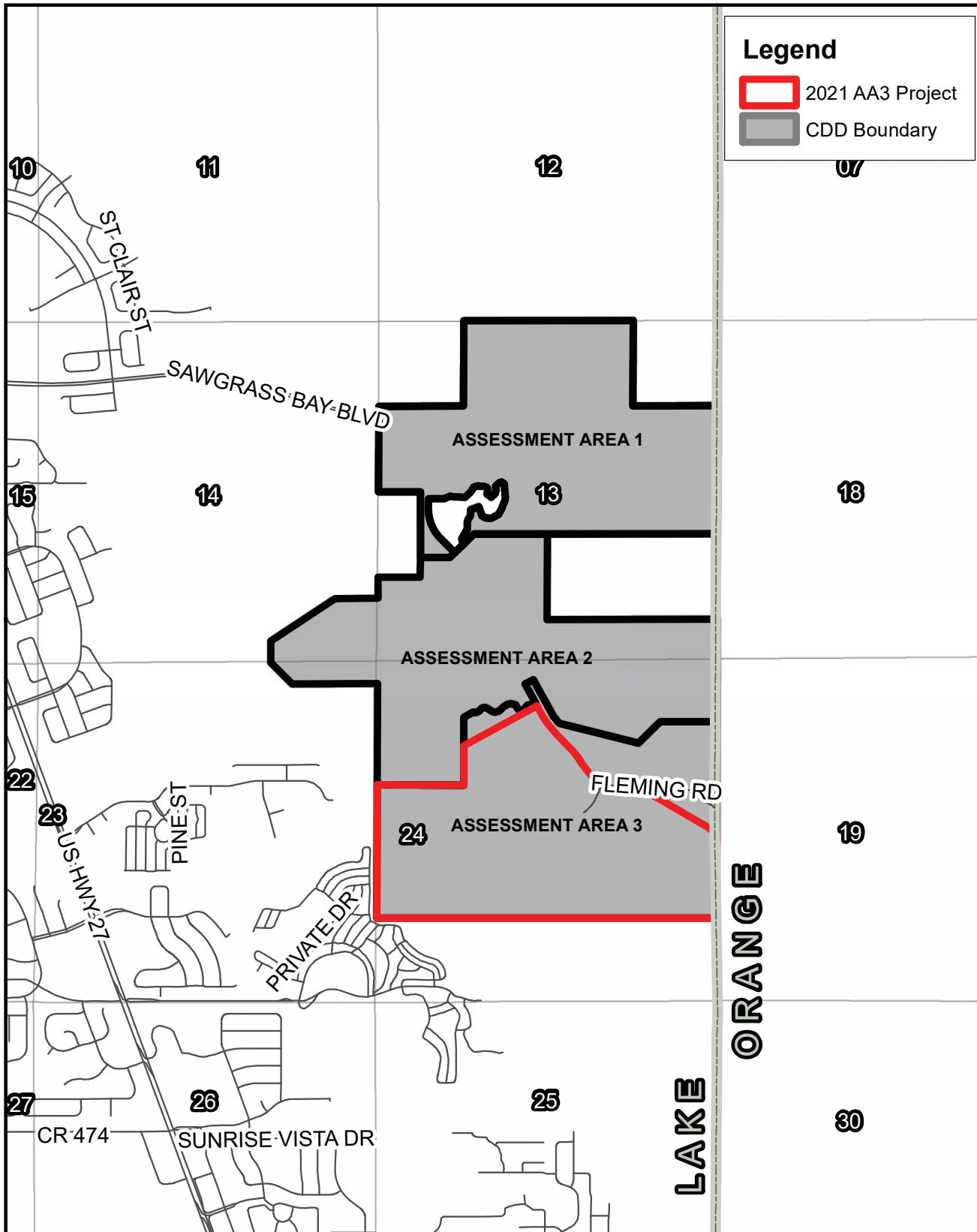
DESCRIPTION: A parcel of land lying in Section 24, Township 24 South, Range 26 East, Lake County, Florida, and being more particularly described as follows:

BEGIN at the Southwest corner of the Northwest 1/4 of said Section 24; thence along the West boundary of the said Northwest 1/4, N.00°08'57"E., a distance of 746.79 feet to the Southwest corner of SERENOA VILLAGE 1 PHASE 1B-1 according the plat thereof as recorded in Plat Book 71, Page 12 of the Public Records of Lake County, Florida; thence along the South boundary of said SERENOA VILLAGE 1 PHASE 1B-1 the following three (3) courses: 1) S.89°51'14"E., a distance of 1346.15 feet; 2) N.00°00'00"E., a distance of 614.90 feet; 3) N.61°29'31"E., a distance of 1297.85 feet to a point on the Westerly Right of Way line of Sawgrass Bay Boulevard; thence along said Westerly Right of Way line the following eight (8) courses: 1) S.28°30'29"E., a distance of 173.39 feet; 2) Southeasterly, 290.78 feet along the arc of a tangent curve to the left having a radius of 1106.00 feet and a central angle of 15°03'49" (chord bearing S.36°02'23"E., 289.94 feet); 3) S.43°34'17"E., a distance of 415.79 feet; 4) Southeasterly, 253.55 feet along the arc of a tangent curve to the right having a radius of 1000.00 feet and a central angle of 14°31'37" (chord bearing S.36°18'29"E., 252.87 feet); 5) Southeasterly, 942.54 feet along the arc of a reverse curve to the left having a radius of 856.00 feet and a central angle of 63°05'18" (chord bearing S.60°35'19"E., 895.64 feet); 6) Easterly, 424.50 feet along the arc of a reverse curve to the right having a radius of 750.00 feet and a central angle of 32°25'45" (chord bearing S.75°55'05"E., 418.85 feet); 7) S.59°42'12"E., a distance of 885.38 feet; 8) Southeasterly, 191.92 feet along the arc of a tangent curve to the right having a radius of 729.50 feet and a central angle of 15°04'24" (chord bearing S.52°10'00"E., 191.36 feet) to a point on the East boundary of the Southeast 1/4 of the aforesaid Section 24; thence along said East boundary, S.00°02'26"W., a distance of 1304.37 feet to the Southeast corner of the Northeast 1/4 of the Southeast 1/4 of said Section 24; thence along the South boundary of the North 1/2 of the Southeast 1/4 of said Section 24, S.89°58'53"W., a distance of 2643.90 feet to the Southeast corner of the Northeast 1/4 of the Southwest 1/4 of said Section 24; thence along the South boundary of the North 1/2 of the Southwest 1/4 of said Section 24, S.89°59'12"W., a distance of 2640.02 feet to the Southwest corner of the Northwest 1/4 of the Southwest 1/4 of said Section 24; thence along the West boundary of the Northwest 1/4 of the Southwest 1/4 of said Section 24, N.00°11'49"E., a distance of 1325.77 feet to the POINT OF BEGINNING.

Containing 276.516 acres, more or less.

Exhibit B

Vicinity Map



Avalon Groves Community Development District
Vicinity Map
Lake County

0 1,000 2,000 Feet
Source: Heidt Design, Lake County, FGDL
Data was acquired from various sources including but not limited to state, county, and local governments. Heidt Design does not warrant data provided by other sources for accuracy or for any particular use that may require accurate information. This map is for informational purposes only and should not be substituted for a true title search, property appraisal, or survey.

HEIDT
DESIGN
(813) 253-5311

Exhibit C

Concept Plan

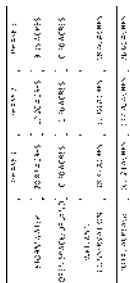


Exhibit - Area Calc's

WK AVALON GROVES, LLC
Lake County

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Exhibit D

Aerial Map

Legend

-  2021 AA3 Project
-  CDD Boundary

WVGRASS BAY BLVD

ASSESSMENT AREA 1

ASSESSMENT AREA 2

CITRUS PARKWAY

FLEMING RD

PRIVATE DR

ASSESSMENT AREA 3

Sources: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS,
USDA, USGS, AeroGRID, IGN, and the GIS User Community

Avalon Groves Community Development District

Aerial

Lake County

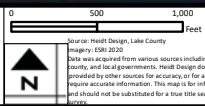


Table 1

Ownership & Maintenance

Table 1. OWNERSHIP AND MAINTENANCE

Ownership and maintenance of the improvements* is anticipated as set forth below:

<u>IMPROVEMENT</u>	<u>OWNERSHIP/MAINTENANCE</u>
Stormwater Management System	Community Development District (with Drainage Easements to Lake County)
Roadway Systems (Local Roads)	HOA (Private Roads) (CDD will have easement for maintaining curb and gutter)
Master Sewer Facilities	Utilities, Inc. (Private)
Master Water Facilities	Utilities, Inc. (Private)
Master Reuse Water System	Utilities, Inc. (Private)
Master Dry Utilities	Utility Companies (with Utility Easements)
Landscaping, Irrigation and Monument Signs	Community Development District (Outside Gates) HOA (Gates and Inside Gates)

*Only improvements that will be owned and maintained by the District or Lake County will be financed by the District.

Table 2

Opinion of Probable Cost

Table 2

Village 3 within Assessment Area Three

	296 Lots
Master Infrastructure	
Land Acquisition (1)	\$3,617,331
Clearing / Earthwork (2)	\$737,154
Master Stormwater Management	\$1,058,221
Master Collector and Local Roads	\$0
Parks and Recreational Facilities / Amenities	\$0
Master Utilities (Water, Wastewater, Reuse)	\$0
Landscaping, Entry Features and Signs	\$181,944
Professional Fees (3)	\$316,371
Sub-total	\$5,911,021
Contingency	\$591,102
Project Total	\$6,502,124
Anticipated Buildout	2022
(1) Assumes \$79,556 per acre for uplands (storm water 36.22 acres) & \$5,700 per acre for Conservation (wetlands/wetland setbacks 128.83 acres). The District will pay the lesser of (i) the Developer's cost basis or (ii) appraised value, for land. The estimates provided herein are based on information from the Developer. The appraised value will be determined by an independent appraisal commissioned by the District. (2) Earthwork excludes the placement and grading on any developable lots (3) Professional fees associated with public infrastructure only (4) All Costs are in 2021 Dollars	

Table 3

Permit Status Update

PERMIT STATUS UPDATE

The permit status for the Avalon Groves development plans is as follows:

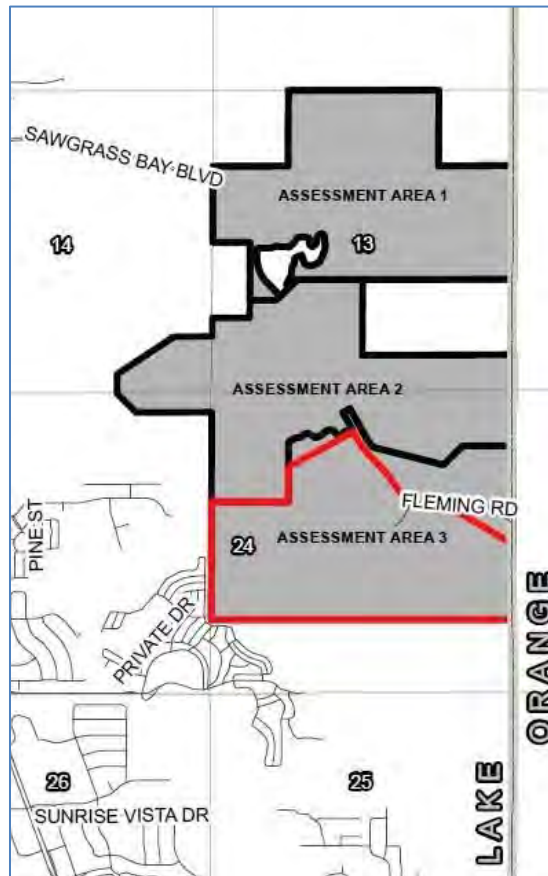
<u>PERMIT</u>	<u>STATUS</u>
1. Lake County – Active Adult Phases 1 & 2 Preliminary Plat	Approved
2. Lake County – Active Adult Phases 1 & 2 Construction Plans	Approved
3. Lake County – Active Adult Phases 1 & 2 Final Plat Plat Book 70, Pages 80 - 91	Approved
3. SJRWMD Environmental Resource Permit Active Adult Phase 1 & 2 – Permit #135777-7	Approved
4. SJRWMD Transfer of Ownership Active Adult Phase 1 & 2 – Permit #135777-10	Approved
5. Lake County – ROW Utilization Permit	Approved
6. FDEP Water Permit Phase 1 – Permit #0080594-059-DSGP	Approved
7. FDEP Wastewater Permit Phase 1 – Permit #0365689-001-DWG/CG	Approved
8. Lake County – Active Adult Model Homes and Sales Lots	Approved

EXHIBIT 7

**AVALON GROVES
COMMUNITY DEVELOPMENT DISTRICT**

**THIRD SUPPLEMENTAL
SPECIAL ASSESSMENT METHODOLOGY
REPORT FOR THE ISSUANCE OF PROPOSED**

**\$6,075,000 SPECIAL ASSESSMENT BONDS, SERIES 2021
(ASSESSMENT AREA THREE PROJECT)**



February 10, 2021
(final pricing)

Prepared By
DPFG Management & Consulting LLC
250 International Parkway, Suite 280
Lake Mary, Florida 32746

**AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT
SUPPLEMENTAL ASSESSMENT METHODOLOGY REPORT**

Table of Contents

A. Overview	3
B. Master Assessment Allocation.....	3
C. Purpose of this Report	3
D. 2021 Project Bond Financing Plan	4
E. True-Up.....	5
F. Exemptions and Non-Benefitted Property	6
G. Assessment Allocation and Benefits.....	7
Assessment Standard.....	7
Assessment Methodology.....	7
These Special Benefits and Allocation of Assessments	7
H. Preliminary Assessment Roll and Collection	8
I. Conclusion	8
Special Benefit	8
Assessment Apportionment.....	8
Reasonableness of Assessment Apportionment.....	8
Best Interest.....	8
J. Prepayment Calculation Method.....	9
K. Sources and Uses of Funds for the 2021 Project.....	9
L. Allocation of Public Improvements Costs and Proposed Debt	10
M. Preliminary Assessment Roll.....	11
Exhibit A. Map of 2021 Project Area (Village 3 a/k/a Assessment Area Three)	12
Conceptual Site Plan.....	13
Legal Descriptions.....	14

List of Tables

Table 1. 2021 Assessable Property within Assessment Area Three	4
Table 2. Total District Debt and Maximum Annual Debt Service	4
Table 3. Assignment of Benefit and Assessment Area Three After Plat Map Recordation	5
Table 4. Assignment of Benefit and 2021 Assessable Property Before Plat Map Recordation.....	5
Table 5. Allocation of Public Improvement Costs.....	10
Table 6. Assessment Area Three Special Assessments Compared with Total PIC	10

A. Overview

The Avalon Groves Community Development District (the “**District**”) is a local unit of special-purpose government organized and existing in accordance with the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the “**Act**”), created by Ordinance No. 2016-16, duly enacted by the Board of County Commissioners of Lake County, Florida, on April 19, 2016 and becoming effective on April 27, 2016 (the “**Ordinance**”). To advance the development of the properties within the District, certain capital improvements have been planned for the entire development of the District, as described in the Report of the District Engineer, dated October 11, 2018 (the “**CIP**”). To finance the construction of portions of the CIP, the District plans to issue bonds in multiple series and levy Special Assessments to repay the bonds, including interest, as the development advances in separate phases within the District.

B. Master Assessment Allocation

The District determined to implement a portion of the CIP and to defray the cost thereof by levying special assessments on benefitted property and expressed an interest to issue bonds to provide the funds needed therefor prior to the collection of special assessments. The costs of the CIP are assessed against the benefitted property using the method described in the Master Assessment Methodology Report, dated October 27, 2016 (the “**Master AMR**”). That described methodology results in special assessments set forth in the assessment roll, which is part of the Master AMR and included in the Appendix herein. To accommodate, and align the bond financing with the phased infrastructure development, the District is divided into three separate and distinct assessment areas with associated future improvements, namely “Assessment Area One”, “Assessment Area Two”, and “Assessment Area Three” and collectively the (“**Assessment Areas**”). The Special Assessments are initially levied over all Undeveloped Property within each of the District’s Assessment Areas on an equal acreage basis anticipated. Subsequently, the Special Assessments attach to Developed Property on a “first platted, first assessed basis” within the respective Assessment Areas.

C. Purpose of this Report

This Third Supplemental Special Assessment Methodology Report relates to the issuance of the District’s Special Assessment Bonds, Series 2021, (Assessment Area Three Project) (the “**2021 Bonds**”), which are being issued to fund portions of the CIP, as described in the Report of the District Engineer dated January 29, 2021 necessary to develop the single-family residential lots in within Assessment Area Three¹ (the “**2021 Project**”), which is also known as “Village 3,” and is shown by the red boundary in **Exhibit A**. It is contemplated that the development in Assessment Area Three will occur in multiple phases. This report provides an assessment methodology for analyzing the benefits that the anticipated 296 single-family residential lots derive from the 2021 Project (Refer to Map of the 2021 Project Area and Conceptual Site Plan of Assessment Area Three herein) and determining a fair and equitable allocation of such benefits

¹ Assessment Area Three was originally established under District Resolution 2017-10 and the Master Report to refer to the 335-acre parcel shown by the black boundary of Assessment Area Three in **Exhibit B** of the Engineer’s Report. The District does not intend to change the original boundary of Assessment Area Three. Instead, for simplicity of description in the District’s offering statement issued in connection with the 2021 Bonds (defined herein), the name, “Assessment Area Three” a/k/a “Village 3,” will refer to the 276.516-acre parcel under development by Pulte Home Company, LLC and shown by the red boundary in **Exhibit B** of the Engineer’s Report. The balance of the 335-acre Assessment Area Three, as defined in the Master Report, is expected to be privately developed, and thus is not expected to be subject to District bonds or debt assessments. To explain further, the master project developer’s contributions of infrastructure, which include the third segment of the Sawgrass Bay Boulevard Extension as well as the future “neighborhood” improvements within the remaining portion of Assessment Area Three, are sufficient to offset any need to impose debt assessments on the remaining portion of Assessment Area Three (although operations and maintenance expenses may be appropriate).

through the levy of the Special Assessments associated with the 2021 Bonds (the “**Assessment Area Three Special Assessments**”). As described above, the District levied Special Assessments in the amount of not to exceed \$70 million pursuant to the Master AMR², which report is supplemented by this report. Any capitalized terms not otherwise defined herein will have the meaning ascribed to such term in the Master AMR.

While there is Undeveloped Property (defined below), the Assessment Area Three Special Assessments will remain levied against all of Assessment Area Three on an equal acreage basis.³ As the Assessment Area Three property becomes Developed Property (defined below), the Assessment Area Three Special Assessments will be re-allocated to those lots constituting Developed Property based on its ERU-based, assigned share in Assessment Area Three.

D. 2021 Project Bond Financing Plan

The 2021 Bonds are being issued for the primary purpose of funding portions of the costs related to the 2021 Project. In addition, net proceeds of the 2021 Bonds will be used to provide funds to (i) fund a debt service reserve account for the 2021 Bonds, (ii) pay the costs of issuance of the 2021 Bonds, and (iii) pay capitalized interest. A sources and uses table of the bond financing is enclosed herein in the Appendix. The size of the 2021 Bond in turn determines the Assessment Area Three Special Assessments levied to pay maximum annual debt service amounts (“**MADS**”). The 2021 Bond principal plus interest is secured by and payable from the Assessment Area Three Special Assessments levied on the land within Assessment Area Three as set forth in the table below.

Table 1. 2021 Assessable Property within Assessment Area Three

Bond Series	Prior to Plat Map Recordation and Development	After Plat Map Recordation and Development	Payable from, and Secured by
2021	Total of 276.516 acres comprised of Village 3 Lots	296 lots in Village 3	Assessment Area Three Special Assessments

The table below sets forth a summary of the total estimated 2021 Bonds principal amount and MADS.⁴

Table 2. Total District Debt and Maximum Annual Debt Service

Bond Series	Par Amount	MADS
2021	\$6,075,000	\$337,000

Each fiscal year, the CDD will certify for collection the Assessment Area Three Special Assessments, apportioned proportionately to Assessment Area Three until the aggregate amount of the Assessment Area Three Special Assessments has satisfied all of the MADS requirement for the 2021 Bonds. The Table below sets forth the proposed ERU Assignment, 2021 Bonds par per lot, MADS per lot both after plat map recordation and per lot product type.

² Based on bond principal amount sized for funding of all the CIP costs and adjusted for allowable bond financing costs including capitalized interest, reserves and cost of issuance.

³ Refer to the Appendix for a Preliminary Assessment Roll for details and legal description and sketch of the areas.

⁴ Excluding early payment discount and County collection charges.

Table 3. Assignment of Benefit and Assessment Area Three After Plat Map Recordation

Lot Product Type	Lots	ERU	Total ERU	% ERU	Par Amount	Par/Lot	Total MADS	MADS/Lot
40	133	0.90	119.70	40.95%	\$2,487,778	\$18,705	\$138,005	\$1,038
50	115	1.00	115.00	39.34%	\$2,390,096	\$20,783	\$132,586	\$1,153
60	48	1.20	57.60	19.71%	\$1,197,126	\$24,940	\$66,408	\$1,384
Total	296		292.30	100.00%	\$6,075,000		\$337,000	

Prior to plat map recordation, the Assessment Area Three Special Assessments for undeveloped property are described in the following table.

Table 4. Assignment of Benefit and 2021 Assessable Property Before Plat Map Recordation

Anticipated ERU	292.30
Undeveloped acres, ac	276.516
MADS per ac	\$1,218.74
Par Amount per ac	\$21,969.80

E. True-Up

As of this date, the developer has informed the District that it plans to construct a total of 296 lots in connection with Village 3 a/k/a Assessment Area Three, which represents a total of 292.30 ERUs. As development occurs, it is possible that the number of lots and lot mix may change within Assessment Area Three. In order to ensure that the Assessment Area Three Special Assessments allocation is maintained in accordance with the methodology specified by this report, a true-up analysis may be necessary (“**True-Up Analysis**”).

This True-Up Analysis is utilized to ensure that the principal amount of the Assessment Area Three Special Assessments on a per lot and per acre basis never exceeds the initially allocated amount as contemplated in the assessment methodology described herein. Prior to the time a parcel within the 276.516-acre Assessment Area Three is platted and developed, or ownership is transferred by the developer to any other entity or person with a specific number of assessable units allocated thereto, the True-Up Analysis will be conducted in accordance with the assessment methodology set forth herein and in the True-Up Agreement. As the lands within the District’s Assessment Area Three are developed, the allocation of the amounts assessed to and constituting a lien upon the 2021 Assessable Property will be calculated based upon certain density assumptions, which assumptions were provided by the developer.

At such time as acreage is contained within a proposed plat, or a deed or assignment agreement between the developer and a transferee that specifies the residential Lots or entitlements thereto being transferred to such transferee (“**Entitlement Transfer Document**”), the developer agrees that such proposed plat or Entitlement Transfer Document shall be presented to the District in accordance with the terms of the True-Up Agreement. The District will allocate the Assessment Area Three Special Assessments to the 2021 Assessable Property reflected in such plat or Entitlement Transfer Document in accordance with the applicable land use classifications, and the remaining 2021 Assessable Property within the District, and such reallocation will be recorded in the District’s lien book. This True-Up Analysis will ensure that the 2021 Bond debt does not accumulate disproportionately on Undeveloped Property, or undevelopable property, within Assessment Area Three, as defined herein. In the event that the density assumptions upon which this report is based change over time as determined by any True-Up Analysis such that fewer ERUs are being developed within Assessment Area Three than are contemplated by this report, the True-Up Analysis will determine the amount required to be paid by the developer to the District in order to satisfy, in whole or in part, the Assessment Area Three Special Assessments and ensure that the Assessment Area

Three Special Assessments continue to be allocated ratably against the actual density within Assessment Area Three in accordance with the methodology set forth in this report (the “**True-Up Obligation**”).

Any true-up shall become due and payable that tax year by the landowner of the lands subject to the proposed plat, shall be in addition to the regular assessment installment payable for such lands, and shall constitute part of the Assessment Area Three Assessment liens imposed against the proposed platted property until paid. A true-up shall include accrued interest on the Series 2021 Bonds to the interest payment date that occurs at least 45 days after the true-up (or the second succeeding interest payment date if such true-up payment is made within forty-five (45) calendar days before an interest payment date, as well as any collection and/or enforcement costs.

All Assessment Area Three Special Assessments levied run with the land, and such assessment liens include any true-ups. The District will not release any liens on property for which true-ups are due, until provision for such payment has been satisfactorily made. Further, upon the District’s review of the final plat for the developable acres, any unallocated Assessment Area Three Special Assessments shall become due and payable and must be paid prior to the District’s approval of that plat. The true-up process applies for both plats and/or re-plats. Any unpaid Assessment Area Three Special Assessments (including true-ups) may be collected directly by the District, or may be placed on the tax roll by the District for collection by the County Tax Collector pursuant to Section 197.3632, *Florida Statutes*.

Any transferee of property shall take title subject to any unpaid Assessment Area Three Special Assessments, including true-ups, and with respect to the portion of the property so transferred. As a point of clarification, and provided that any true-up payment is first made (which may be confirmed from an estoppel letter issued by the District through its District Manager), any platted lot conveyed to an end user with a home that has received a certificate of occupancy is automatically and forever released from any true-up obligation hereunder. Also provided that any true-up is first made (which may be confirmed from an estoppel letter issued by the District through its District Manager), any platted lot that is restricted from re-platting and is conveyed to a homebuilder is automatically and forever released from any true-up obligation hereunder, provided however that such platted lot is not in fact re-platted.

F. Exemptions and Non-Benefitted Property

No Assessment Area Three Special Assessments shall be assigned or attached to public property, property owner association property, or community amenities and facilities. These properties are treated as ancillary uses as a whole, because they will serve and benefit the primary residential development. According to Section 193.0235 (Ad valorem taxes and non-ad valorem assessments against subdivision property), Florida Statutes, special assessments may not be assessed separately against common elements utilized exclusively for the benefit of lot owners within the subdivision, regardless of ownership. Common elements include the following:

- a. The planned amenities that will be constructed by the developer and privately owned by a homeowner’s association for the benefit of the lot owners;
- b. Subdivision property not planned for development as lots which are intended to be conveyed or have been conveyed to a homeowner’s association.
- c. An easement through the subdivision property, not including the property described in paragraph (a), which has been dedicated to the public or retained for the benefit of the subdivision.
- d. Any other part of the subdivision which has been designated on the plat or is required to be designated on the site plan as a drainage pond, or detention or retention pond, for the exclusive benefit of the subdivision.
- e. Property located within the same county as the subdivision and used for at least 10 years exclusively for the benefit of lot owners within the subdivision.

G. Assessment Allocation and Benefits

Assessment Standard

Under Florida law, a valid special assessment that is made pursuant to District legislative authority requires (1) that the property assessed must derive a direct and special benefit from the improvement or service provided, and (2) that the assessment must be fairly and reasonably apportioned among properties that receive the special benefits.

Section 170.02, Florida Statutes, states “Special assessments against property deemed to be benefited by local improvements, as provided for in sec. 170.01, shall be assessed upon the property specially benefited by the improvement in proportion to the benefits to be derived therefrom, said special benefits to be determined and prorated according to the foot frontage of the respective properties specially benefited by said improvement, or by such other method as the governing body of the municipality may prescribe.”

The ERU allocation approach is a generally recognized and commonly approved method of proportionally spreading assessments over benefited properties for special assessments levied by community development districts. Although the general public outside the District will benefit from the CIP, such benefits are incidental. The facilities in the CIP meet the needs of the developed property within the District, as well as provide benefit to all residential property within the District. The property owners within the District are therefore receiving special benefits not received by those outside the boundaries, and direct and cumulative benefits accrue mainly to residents.

Assessment Methodology

This benefit and allocation approach is based on the principle that similar lot product types will receive a relatively equal and direct benefit from all or a portion of the District-wide CIP. The direct benefits from these improvements include increased use, enjoyment and increased property values to all residential properties, and the direct benefits from each District system and function. An assessment methodology based on ERUs provides a way to quantify the benefit that different lot sizes and land use types receive from public improvements in terms of their equivalence to a single-family residential dwelling unit on a standard lot width, which is defined as 1.0 ERU. Under the ERU model, the District allocates assessments on platted property proportionately based on lot size as indicated on the subject recorded plat map; assessments on undeveloped property (e.g., property without recorded subdivision plat map) are allocated proportionately based on acreage basis. As noted above, the equal benefit and assessment allocation approach is a generally recognized and approved method of proportionally spreading assessments over benefited properties within a special district.

These Special Benefits and Allocation of Assessments

In the present case, the financing program will enable the District to provide public improvements to Village 3. Such improvements will provide direct benefit for the utilization of this property, will substantially enhance the use and enjoyment of the benefited residential properties on the various lot product types, and will increase the value and marketability of the benefited residential properties. These benefits flow proportionately over all benefited lot types of various size.

The District will apply the assessment methodology to the financing program relating to the 2021 Project. All residential units in Village 3 will proportionately benefit depending on lot size as measured by front footage from the construction, purchase and maintenance of the public improvements included in the 2021 Project. A ranking and finding of 1.0 ERU per residential unit on lot product type with a front footage of fifty feet applies pursuant to the Master AMR.

H. Preliminary Assessment Roll and Collection

A Preliminary Assessment Roll is attached in the Appendix. The District expects to bill and collect directly the special assessments associated with the 2021 Bonds. Once platted, and except for certain exceptions provided for in the applicable trust indenture for the 2021 Bonds, the County tax collector will collect the special assessments on behalf of the District.

I. Conclusion

The acquisition and construction of the 2021 Project using the 2021 Bond proceeds will be utilized for common District purposes associated with Assessment Area Three. The Assessment Area Three Special Assessments will be assigned over all 2021 Assessable Property on a fair and equitable basis as described herein. The 2021 Assessable Property will receive benefits in excess of the allocated Assessment Area Three Special Assessments. Accordingly, this is an appropriate District project that will significantly benefit Assessment Area Three and enhance the District.

Special Benefit

The 2021 Project will provide special benefit to parcels within Assessment Area Three of the District. It delivers interconnected structural improvement elements that provide a framework that supports, complements and adds to the entire development. The 2021 Project yields benefits to parcel owners in terms of meeting development needs and increasing property values.

Assessment Apportionment

The Assessment Area Three Special Assessments are fairly and equally apportioned over all of Assessment Area Three. The benefits are quantified and assigned to parcels regardless of lot size, reflecting the general uniform benefits that the lots receive from the 2021 Project. Accordingly, the District has assigned proxy values to the various expected lot sizes on the basis that each lot receives the value and ranking of 1.0 ERU.

Reasonableness of Assessment Apportionment

It is reasonable, proper and just to assess the costs of the 2021 Project against lands in Assessment Area Three of the District. As a result of the 2021 Project, certain properties in the District receive special benefit and increase in value. Based on the premise that the 2021 Project makes the properties more valuable, in return it is reasonable for the District to assign the Assessment Area Three Special Assessments on the 2021 Assessable Property within Assessment Area Three of the District. The benefits will be equal to or in excess of the assessments thereon when allocated.

Best Interest

The District provides for delivering the public improvements in a timely, orderly, and efficient manner. It can economically and efficiently provide the amount and quality of services required by the public. The District provides a financing mechanism to (i) fund the 2021 Project at a relatively low cost of capital, and (ii) on a timely, “pay for itself” type basis. The exercise by the District of its powers is consistent with applicable with state law. It is in the best interest of the District.

J. Prepayment Calculation Method

The Assessment Area Three Special Assessments obligation of a lot may be prepaid in full or in part, and the obligation of the lot to pay the Assessment Area Three Special Assessments may be permanently satisfied; provided that a prepayment may be made only if there are no delinquent Assessment Area Three Special Assessments with respect to such lot at time of prepayment. The Assessment Area Three Special Assessments Prepayment amount is calculated as follows:

Determine the Outstanding District Debt amount allocated to the subject Lot

Plus: Accrued interest on principal amount to be prepaid, calculated to next interest payment date, which shall occur at least 45 days prior to the tender of the prepayment or calculated to the next succeeding interest payment date if the prepayment is made within 45 days of the next interest payment date

Less: A proportionate amount of Capitalized Interest, if any remains at time of the prepayment

Equals: Total Prepayment Amount (PA)

Plus: Reasonable administrative fees and expenses related to lien release, calculation and recordation as determined by the CDD manager (A)

Partial Prepayment (PP) is calculated as follows: $PP = (PA * F) + A$

The term F means the percent by which the owner of the subject Lot is partially prepaying the Special Assessment. With respect to a partial prepayment, the District manager shall indicate in the District records that there has been a partial prepayment and that a portion of the Special Assessment equal to (1.00 minus F) of the remaining Special Assessment shall continue to be authorized to be levied on such subject Lot.

K. Sources and Uses of Funds for the 2021 Project

\$6,075,000 SPECIAL ASSESSMENT BONDS, SERIES 2021 (Assessment Area Three Project)

Sources	\$ Amount
Par	6,075,000
Net Premium	94,719
	6,169,719
Uses	
Net Construction Proceeds	5,547,461
Capitalized Interest (through 11/1/2021)	144,559
Debt Service Reserve Fund	168,500
Cost of Issuance	309,200
	6,169,719

L. Allocation of Public Improvements Costs and Proposed Debt

The 2021 Project costs and the other uses of bond proceeds are used as proxy value for total benefit. As described in the Engineer's Report, the completed public infrastructure costs are estimated in the amount of \$6,502,124. The following table sets forth the allocation of public improvements costs ("PIC") among the Assessment Area Three lands, including an allowance for other uses of bond proceeds such as deposit to the debt service reserve fund, capitalized interest, and costs of issuance.

Assessment Area Three (Village 3)

Table 5. Allocation of Public Improvement Costs

Lot Width	Total Lots	ERU	Total ERU	% ERU	Total PIC (as proxy for benefit)	Benefit Per Lot
40	133	0.90	119.70	40.95%	\$2,662,690	\$20,020
50	115	1.00	115.00	39.34%	\$2,558,140	\$22,245
60	48	1.20	57.60	19.71%	\$1,281,294	\$26,694
Total	296	0.00	292.30	100.00%	\$6,502,124	

Table 6. Assessment Area Three Special Assessments Compared with Total PIC

Lot Width	Series 2021 Bonds Principal Amount	Benefit Per Lot	Debt Over/(Under) Benefit
40	\$18,705	\$20,020	(\$1,315)
50	\$20,783	\$22,245	(\$1,461)
60	\$24,940	\$26,694	(\$1,754)

M. Preliminary Assessment Roll

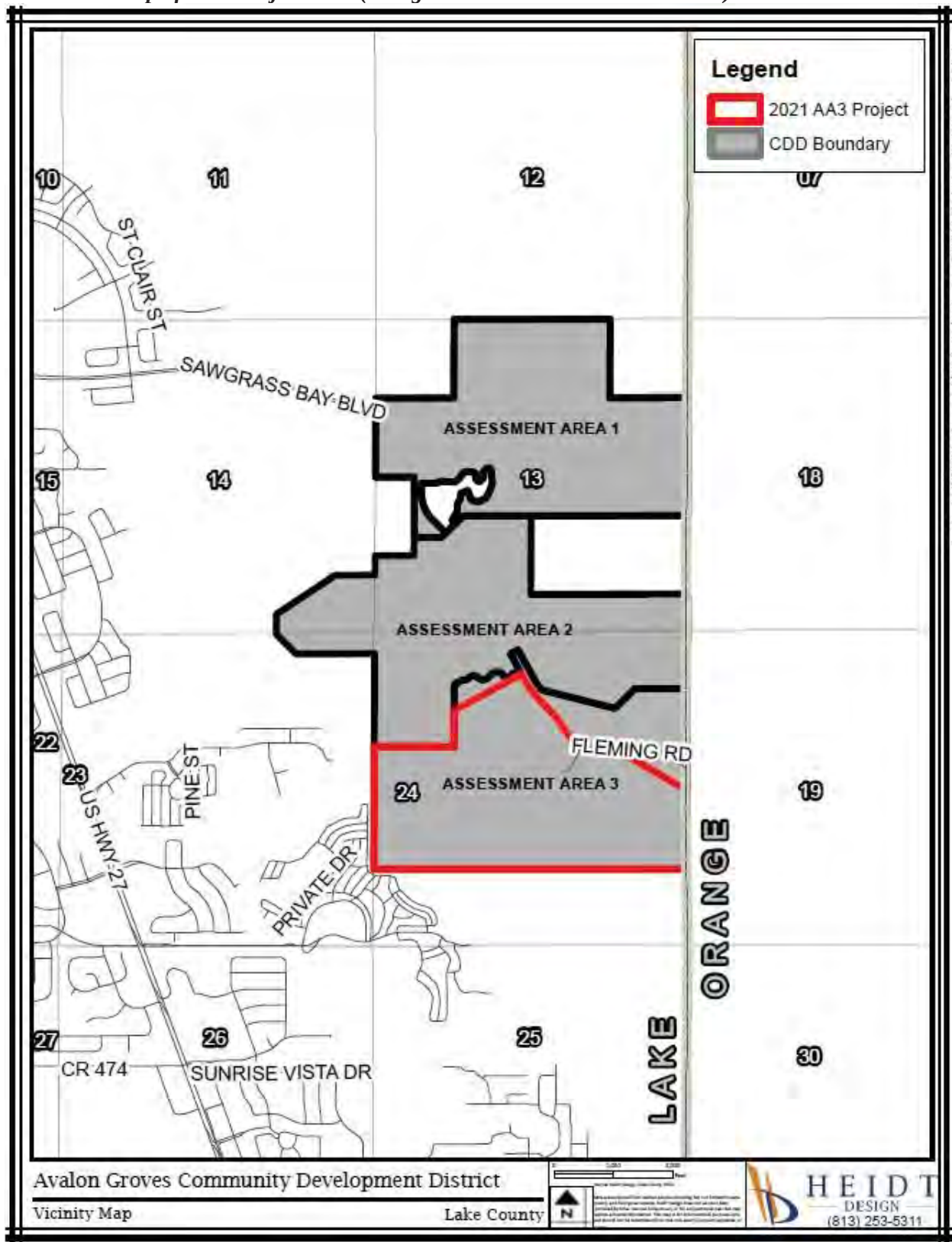
Assessment Area Three / Village 3

Lot / Parcel	Assigned ERU	Series 2021 Bonds Principal Amount	MADS / (b)
See attached Legal Description for 276.516 acres	292.30	\$6,075,000	\$337,000

Footnote:

- (a) The Assessment Area Three Special Assessments will remain assigned against property that is not platted on an equal acreage basis until it is platted.
- (b) Excluding County collection charges and early payment discounts

Exhibit A. Map of 2021 Project Area (Village 3 a/k/a Assessment Area Three)



[illegible]

Legal Descriptions

DESCRIPTION: A parcel of land lying in Section 24, Township 24 South, Range 26 East, Lake County, Florida, and being more particularly described as follows:

BEGIN at the Southwest corner of the Northwest 1/4 of said Section 24; thence along the West boundary of the said Northwest 1/4, N.00°08'57"E., a distance of 746.79 feet to the Southwest corner of SERENOA VILLAGE 1 PHASE 1B-1 according the plat thereof as recorded in Plat Book 71, Page 12 of the Public Records of Lake County, Florida; thence along the South boundary of said SERENOA VILLAGE 1 PHASE 1B-1 the following three (3) courses: 1) S.89°51'14"E., a distance of 1346.15 feet; 2) N.00°00'00"E., a distance of 614.90 feet; 3) N.61°29'31"E., a distance of 1297.85 feet to a point on the Westerly Right of Way line of Sawgrass Bay Boulevard; thence along said Westerly Right of Way line the following eight (8) courses: 1) S.28°30'29"E., a distance of 173.39 feet; 2) Southeasterly, 290.78 feet along the arc of a tangent curve to the left having a radius of 1106.00 feet and a central angle of 15°03'49" (chord bearing S.36°02'23"E., 289.94 feet); 3) S.43°34'17"E., a distance of 415.79 feet; 4) Southeasterly, 253.55 feet along the arc of a tangent curve to the right having a radius of 1000.00 feet and a central angle of 14°31'37" (chord bearing S.36°18'29"E., 252.87 feet); 5) Southeasterly, 942.54 feet along the arc of a reverse curve to the left having a radius of 856.00 feet and a central angle of 63°05'18" (chord bearing S.60°35'19"E., 895.64 feet); 6) Easterly, 424.50 feet along the arc of a reverse curve to the right having a radius of 750.00 feet and a central angle of 32°25'45" (chord bearing S.75°55'05"E., 418.85 feet); 7) S.59°42'12"E., a distance of 885.38 feet; 8) Southeasterly, 191.92 feet along the arc of a tangent curve to the right having a radius of 729.50 feet and a central angle of 15°04'24" (chord bearing S.52°10'00"E., 191.36 feet) to a point on the East boundary of the Southeast 1/4 of the aforesaid Section 24; thence along said East boundary, S.00°02'26"W., a distance of 1304.37 feet to the Southeast corner of the Northeast 1/4 of the Southeast 1/4 of said Section 24; thence along the South boundary of the North 1/2 of the Southeast 1/4 of said Section 24, S.89°58'53"W., a distance of 2643.90 feet to the Southeast corner of the Northeast 1/4 of the Southwest 1/4 of said Section 24; thence along the South boundary of the North 1/2 of the Southwest 1/4 of said Section 24, S.89°59'12"W., a distance of 2640.02 feet to the Southwest corner of the Northwest 1/4 of the Southwest 1/4 of said Section 24; thence along the West boundary of the Northwest 1/4 of the Southwest 1/4 of said Section 24, N.00°11'49"E., a distance of 1325.77 feet to the POINT OF BEGINNING.

Containing 276.516 acres, more or less.

EXHIBIT 8

RESOLUTION 2021-07

[SUPPLEMENTAL ASSESSMENT RESOLUTION – 2021 BONDS]

A RESOLUTION SETTING FORTH THE SPECIFIC TERMS OF THE DISTRICT'S \$6,075,000 SPECIAL ASSESSMENT BONDS, SERIES 2021 (ASSESSMENT AREA THREE PROJECT); MAKING CERTAIN ADDITIONAL FINDINGS AND CONFIRMING AND/OR ADOPTING A SUPPLEMENTAL ENGINEER'S REPORT AND A SUPPLEMENTAL ASSESSMENT REPORT; CONFIRMING THE MAXIMUM ASSESSMENT LIEN SECURING THE 2021 BONDS; ADDRESSING THE ALLOCATION AND COLLECTION OF THE ASSESSMENTS SECURING THE 2021 BONDS; ADDRESSING PREPAYMENTS; ADDRESSING TRUE-UP PAYMENTS; PROVIDING FOR THE SUPPLEMENTATION OF THE IMPROVEMENT LIEN BOOK; AND PROVIDING FOR CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the Avalon Groves Community Development District ("**District**") has previously indicated its intention to undertake, install, establish, construct or acquire certain public improvements and to finance such public improvements through the imposition of special assessments on benefited property within the District and the issuance of bonds; and

WHEREAS, on December 22, 2016, the District's Board of Supervisors ("**Board**") adopted, after notice and public hearing, Resolution 2017-10, relating to the imposition, levy, collection and enforcement of debt service special assessments to secure the repayment of the 2021 Bonds (defined herein); and

WHEREAS, on February 10, 2021 and in order to finance all or a portion of what is known as the "**2021 Project**," the District entered into that certain *Bond Purchase Contract*, whereby the District agreed to sell its \$6,075,000 Special Assessment Bonds, Series 2021 (Assessment Area Three Project) ("**2021 Bonds**"); and

WHEREAS, pursuant to and consistent with Resolution 2017-10, the District desires to set forth the particular terms of the sale of the 2021 Bonds and confirm the lien for special assessments securing the 2021 Bonds.

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

1. **INCORPORATION OF RECITALS.** All of the above representations, findings and determinations contained above are recognized as true and accurate and are expressly incorporated into this Resolution.

2. **AUTHORITY FOR THIS RESOLUTION.** This Resolution is adopted pursuant to the provisions of Florida law, including Chapters 170, 190 and 197, *Florida Statutes*, and Resolution 2017-10.

3. **ADDITIONAL FINDINGS; ADOPTION OF SUPPLEMENTAL ENGINEER'S REPORT AND SUPPLEMENTAL ASSESSMENT REPORT.** The Board hereby finds and determines as follows:

- a. On December 22, 2016, the District, after due notice and public hearing, adopted Resolution 2017-10 which, among other things, equalized, approved, confirmed and levied special assessments on property benefiting from the improvements authorized by

the District and within what is known as “Assessment Area Three.” That Resolution provided that as each series of bonds is issued to fund all or any portion of the District’s improvements, a supplemental resolution would be adopted to set forth the specific terms of the bonds and certify the amount of the lien of the special assessments securing any portion of the bonds, including interest, costs of issuance, the number of payments due, and the application of receipt of any true-up proceeds.

- b. The *Engineer’s Supplemental Report – 2021 Bond Issuance*, dated January 28, 2021, as further amended and supplemented from time to time, attached to this Resolution as **Exhibit A (“Engineer’s Report”)**, identifies and describes, among other things, the presently expected components of the 2021 Project. The Engineer’s Report sets forth the estimated costs of the 2021 Project. The District hereby confirms that the 2021 Project serves a proper, essential and valid public purpose. The Engineer’s Report is hereby approved, adopted, and confirmed. The District ratifies its use in connection with the sale of the 2021 Bonds.
- c. The *Third Supplemental Special Assessment Methodology Report*, dated February 10, 2021, and attached to this Resolution as **Exhibit B (“Assessment Report”)**, applies to the 2021 Project and the actual terms of the 2021 Bonds. The Assessment Report is hereby approved, adopted and confirmed. The District ratifies its use in connection with the sale of the 2021 Bonds.
- d. Generally speaking, and subject to the terms of **Exhibit A** and **Exhibit B**, the 2021 Project benefits certain developable property within a portion of Assessment Area Three of the District, which portion of property is further described in **Exhibit C** attached hereto (“**2021 Assessment Area**”).¹ Moreover, the benefits from the 2021 Project funded by the 2021 Bonds equal or exceed the amount of the special assessments (“**2021 Assessments**”), as described in **Exhibit B**, and such 2021 Assessments are fairly and reasonably allocated across the 2021 Assessment Area. It is reasonable, proper, just and right to assess the portion of the costs of the 2021 Project to be financed with the 2021 Bonds to the specially benefited properties within the 2021 Assessment Area as set forth in Resolution 2017-10 and this Resolution.

4. **CONFIRMATION OF MAXIMUM ASSESSMENT LIEN SECURING THE 2021 BONDS.** As provided in Resolution 2017-10, this Resolution is intended to set forth the terms of the 2021 Bonds and the final amount of the lien of the 2021 Assessments. **Composite Exhibit D** shows: (i) the rates of interest and maturity on the 2021 Bonds, (ii) the estimated sources and uses of funds of the 2021 Bonds, and (iii) the debt service due on the 2021 Bonds. The lien of the 2021 Assessments shall be the principal amount due on the 2021 Bonds, together with interest and collection costs, and other pledged revenues as set forth in the applicable indenture(s).

¹ For ease of reference, the financing documents associated with the 2021 Bonds refer to the 2021 Assessment Area as “Assessment Area Three.” In fact, Assessment Area Three is the larger, 341-acre parcel established under Resolution 2017-10.

5. **ALLOCATION AND COLLECTION OF THE 2021 ASSESSMENTS.**

- a. The 2021 Assessments shall be allocated in accordance with **Exhibit B**. The Assessment Report, considered herein, reflects the actual terms of the issuance of the 2021 Bonds.
- b. Section 7 of Resolution 2017-10 sets forth the terms for collection and enforcement of the 2021 Assessments. The District hereby certifies the 2021 Assessments for collection to ensure payment of debt service as set forth in **Exhibit B** and **Composite Exhibit D**. The District Manager is directed and authorized to take all actions necessary to collect special assessments on property using methods available to the District authorized by Florida law and the applicable trust indenture in order to provide for the timely payment of debt service (and after taking into account any capitalized interest period, if any). Among other things, the District Manager shall prepare or cause to be prepared each year an assessment roll for purposes of effecting the collection of the 2021 Assessments and present same to the Board as required by law.

6. **IMPACT FEE CREDITS. [RESERVED.]**

7. **PREPAYMENT OF 2021 ASSESSMENTS.** Any owner of property subject to the 2021 Assessments may, at its option, pre-pay the entire amount of the 2021 Assessments any time, or a portion of the amount of the 2021 Assessments up to 2 times (or as otherwise provided by the supplemental indenture for the 2021 Bonds), plus accrued interest to the next succeeding interest payment date (or the second succeeding interest payment date if such prepayment is made within forty-five (45) calendar days before an interest payment date (or such other time as set forth in the supplemental indenture for the 2021 Bonds)), attributable to the property subject to the 2021 Assessments owned by such owner. Except as otherwise set forth herein, Section 7 of Resolution 2017-10 addresses prepayments for the 2021 Assessments.

8. **APPLICATION OF TRUE-UP PAYMENTS.** Section 8 of Resolution 2017-10, together with the Assessment Report, shall govern true-up as it relates to the 2021 Assessments and 2021 Bonds. All true-up payments shall be deemed part of the 2021 Assessments and enforceable in the same manner as the 2021 Assessments.

9. **IMPROVEMENT LIEN BOOK.** Immediately following the adoption of this Resolution, the 2021 Assessments as reflected herein shall be recorded by the Secretary of the Board in the District's Improvement Lien Book. The 2021 Assessments shall be and shall remain a legal, valid and binding first lien against all benefitted property as described in **Exhibit B** until paid and such lien shall be coequal with the lien of all state, county, district, municipal or other governmental taxes and superior in dignity to all other liens, titles, and claims.

10. **CONFLICTS.** This Resolution is intended to supplement Resolution 2017-10, which remains in full force and effect and is applicable to the 2021 Bonds except as modified herein. This Resolution and Resolution 2017-10 shall be construed to the maximum extent possible to give full force and effect to the provisions of each resolution, provided however that to the extent of any conflict, this Resolution shall control. All District resolutions or parts thereof in actual conflict with this Resolution are, to the extent of such conflict, superseded and repealed.

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

12. **EFFECTIVE DATE.** This Resolution shall become effective upon its adoption.

[CONTINUED ON NEXT PAGE]

APPROVED and **ADOPTED** this 25th day of February, 2021.

ATTEST:

**AVALON GROVES COMMUNITY DEVELOPMENT
DISTRICT**

Secretary

Chairperson

Exhibit A: *Engineer's Supplemental Report – 2021 Bond Issuance, dated February 1, 2021.*

Exhibit B: *Third Supplemental Special Assessment Methodology Report, dated February 10, 2021*

Exhibit C: Legal Description of the 2021 Assessment Area

Comp. Exhibit D: Maturities and Coupon of 2021 Bonds

Sources and Uses of Funds for 2021 Bonds

Annual Debt Service Payment Due on 2021 Bonds

EXHIBIT A

**AVALON GROVES COMMUNITY DEVELOPMENT
DISTRICT
ENGINEER'S SUPPLEMENTAL REPORT -
2021 BOND ISSUANCE**

Prepared for:

**Board of Supervisors
Avalon Groves Community Development District**

Prepared by:

**Heidt Design, LLC
5806-B Breckenridge Parkway
Tampa, Florida 33610
813-253-5311**

February 1, 2021

TABLE OF CONTENTS

	<i>Page #</i>
TRANSMITTAL LETTER	1
INTRODUCTION	4
INFRASTRUCTURE IMPROVEMENTS	5
OWNERSHIP AND MAINTENANCE	7
PERMIT STATUS	7
SUMMARY OF COSTS	7
ENGINEER’S OPINION	8
EXHIBITS	
A. Assessment Area Legal Description	
B. Vicinity Map	
C. Concept Plan	
D. Aerial Map	
TABLES	
1. Ownership & Maintenance	
2. Opinion of Probable Cost	
3. Permit Status	

INTRODUCTION

This *Engineer's Supplemental Report – 2021 Bond Issuance* further supplements that prior *Preliminary Engineer's Report*, dated October 11, 2016 (“**Master Supplemental Engineer's Report**”), which was previously supplemented by that *District Engineer's Supplemental Report*, dated February 23, 2017 (“**2017 Engineer's Report**”), and that *Engineer's Supplemental Report – 2019 Bond Issuance*, dated July 19, 2019 (“**2019 Engineer's Report**”). The purpose of this report is to describe the District’s “**Assessment Area Three Project**,” which will provide infrastructure for Assessment Area Three. Assessment Area Three, as that term is used herein,¹ consists of approximately 276.516 acres of land also known as “Village 3.” Assessment Area Three is shown by the red boundary in **Exhibit B**.

As described in the Master Report, the Avalon Groves Community Development District (“**CDD**” or “**District**”) will ultimately consist of three assessment areas geographically positioned as depicted in the Vicinity Map in **Exhibit B** of this report. Assessment Area One is approximately 303 acres located in the northernmost portion of the District property and is established as a residential active adult community with approximately 580 lots. Assessment Area Two contains approximately 334 acres and is located in the central portion of the District property. The two residential tracts (Villages 1 and 2) are separated by the Sawgrass Bay Boulevard Right-of-Way and contain 479 single family detached residential units. Assessment Area Three, as used herein, is approximately 276.516 acres in total land area and is located in the southern portion of the District property. The public infrastructure to be built for the Assessment Area Three Project was not financed with the Series 2017 or the 2019 Bonds.

The 2017 Engineer's Report included infrastructure within Assessment Areas One and Two that contained approximately 1,059 residential housing units and various parks and recreational facilities. Also included was the construction of the Sawgrass Bay Boulevard extension from the northwest project boundary through Assessment Areas One and Two, wetland mitigation creation, listed species habitat mitigation creation and relocation costs, stormwater management facilities and associated infrastructure grading, entry monumentation, common area landscaping and irrigation, dry utilities, and recreational facilities for the initial phases of development.

¹ Assessment Area Three was originally established under District Resolution 2017-10 and the Master Report to refer to the 335-acre parcel shown by the black boundary of Assessment Area Three in **Exhibit B** (refer to Master Report for additional detail). The District does not intend to change the original boundary of Assessment Area Three. Instead, for simplicity of description in the District's offering statement issued in connection with the 2021 Bonds (defined herein), the name, “Assessment Area Three,” will refer to the 276.516-acre parcel under development by Pulte Home Company, LLC and shown by the red boundary in **Exhibit B**. The balance of the 335-acre Assessment Area Three, as defined in the Master Report, is expected to be privately developed, and thus is not expected to be subject to District bonds or debt assessments. To explain further and as reported by the master project developer, the master project developer's contributions of infrastructure, which include the third segment of the Sawgrass Bay Boulevard Extension as well as the future “neighborhood” improvements within the remaining portion of Assessment Area Three, are expected to be sufficient to offset any need to impose debt assessments on the remaining portion of Assessment Area Three (although operations and maintenance expenses may be appropriate).

The 2019 Engineer's Report included infrastructure within Assessment Area One. The improvements include the acquisition of land for construction of the stormwater management facilities and wetland conservation areas, grading and construction associated with stormwater management systems and professional fees associated with the improvements within Serenoa Active Adult Phases 1 and 2, a sub-assessment area within Assessment Area One.

The purpose of this Supplemental Engineer's Report is to provide a description of the improvements and land acquisition that is to be financed by the District's proposed 2021 bond issue ("**2021 Bonds**"). Public infrastructure and land improvements to be funded with the 2021 Bonds include the acquisition of land for construction of stormwater management facilities and wetland conservation areas, grading and construction associated with the stormwater management system, entry landscaping/irrigation and professional fees associated with the improvements. The improvements are located within Assessment Area Three, a/k/a Village 3, as shown on the Exhibits at the end of this report. These improvements are a subset of the residential improvements described in the Master Report but have not yet been funded by the District.

The Assessment Area Three Project, as presently planned, would include the following units:

Product Type	# of Units
40'	133
50'	115
60'	48
	296

This Supplemental Engineer's Report reflects the District's present intentions. The implementation and completion of any land purchase and any improvements outlined in this Supplemental Engineer's Report requires final approval by the District's Board of Supervisors, including the acquisition of completed improvements, work product and real property. Cost estimates contained in this Supplemental Engineer's Report have been prepared based on the best available information. Actual costs will vary based upon final plans, design, planning, approvals from regulatory authorities, inflation, etc. Nevertheless, all costs contained herein may be reasonably expected to adequately fund the improvements described, and contingency costs as included are reasonable.

ASSESSMENT AREA THREE PROJECT

The District presently intends to undertake certain public infrastructure improvements to be financed with the 2021 Bonds within Assessment Area Three of the District. As mentioned in the Master Report, a portion of these improvements will be funded by the 2021 Bonds and a portion will be funded by the Developer. The construction and maintenance of the proposed improvements are necessary and will benefit the property within Assessment Area Three. A more specific description of each of these items follows and the related costs are provided in Table 2.

LAND ACQUISITION

The District intends to acquire wetland and upland areas that are necessary for the lands that are needed to meet regulatory requirements related to wetland systems, stormwater management systems, wetland setbacks, and other stormwater infrastructure improvements. It is anticipated that approx. 128.83 acres of wetlands/wetland setbacks and 36.22 acres of uplands/stormwater facilities located within Assessment Area Three will be conveyed to the District as part of the 2021 Bond financing and include the following tracts, as shown on the approved construction plans.

Drainage: 100, 110, 120, 130, 140, 150,
Floodplain: FP 100, FP 200, FP 300, FP 400, FP 500, FP 600, FP 700
Wetland Conservation/Setbacks: 2, 3, 12, 41

As directed by the District's bond counsel, the District will pay the lesser of the cost basis or appraised value with respect to any land acquisition.

MASTER ROADS AND STREETS

There are no master roadway improvements associated with the 2021 Bonds.

The adjacent Sawgrass Bay Boulevard Extension, from Assessment Area 2 and through Assessment Area 3, has been completed and accepted by Lake County. This construction of this portion of the roadway was developer funded and, for that reason, no costs for the Sawgrass Bay Boulevard Extension are included in the Assessment Area Three Project costs. Additionally, the Sawgrass Bay Boulevard Extension is not within the defined Assessment Area Three Project.

The local roadways within the Assessment Area Three Project are also developer funded and will remain privately owned and maintained. Therefore, the internal roadway infrastructure costs are not included in the Assessment Area Three Project costs.

MASTER WATER AND WASTEWATER

There are no master water or wastewater improvements associated with the 2021 Bonds. Similar to the Master Roads and Streets, the utilities in Sawgrass Bay Blvd Extension and within the Assessment Area Project are developer funded and privately owned and maintained.

SURFACE WATER MANAGEMENT

The District will provide the surface water management infrastructure for the Assessment Area Three Project in accordance with St. Johns River Water Management District (SJRWMD) and U.S. Army Corps of Engineers (ACOE) permit approvals. Material excavated from surface water management ponds and floodplain management ponds is anticipated to remain within the Assessment Area Three. Considering that there is no public infrastructure within the Assessment Area Three Project, the excavation material will be stockpiled adjacent to the ponds. Any grading

in connection with the preparation of pads for private home sites or on other private property will not be funded by the District. Any material excavated from ponds or mitigation areas constructed on lands owned by the District shall be used only for stormwater improvements serving the Assessment Area Three Project. Any excess material removed from the ponds, if applicable, will be disposed of by the Developer and at the Developer's cost. Components of the surface water management infrastructure related to the 2021 Bonds are described below:

Stormwater Management Ponds: 100, 110, 120, 130, 140, 150,

Floodplain Compensation Ponds: FP 100, FP 200, FP 300, FP 400, FP 500, FP 600, FP 700

Wetland Mitigation: None

Wetland Conservation/Setback Areas: Wetland 2, 3, 12, 41

The surface water management system serving the Assessment Area Three Project includes proper grading and fill for the construction of the curb and gutters within the neighborhood roadways, as well as the costs of the curb and gutter itself. These improvements will be maintained pursuant to a perpetual easement over the right-of-ways.

ENTRY FEATURES

The Assessment Area Three Project includes landscaping, irrigation and monument signs at the entrance of Village 3. These improvements will be located outside and not a functional part of the gated entrance. The improvements will be located in Tracts D-1 (Drainage and Wall) and D-2 (Drainage and Wall).

PARKS AND RECREATION FACILITIES

There are no Parks and Recreation improvements associated with the 2021 Bonds.

DRY UTILITIES FACILITIES

There are no Dry Utility improvements associated with the 2021 Bonds.

PROFESSIONAL FEES

Professional Fees include civil engineering costs for site design, permitting, inspection, and master planning, geotechnical costs for pre-design soil borings, underdrain analysis, and construction staking, all in regard to the improvements associated with the 2021 Bonds. Also included in this category are fees associated with environmental consultation and permitting.

The infrastructure, as outlined above, is necessary for the functional development of Assessment Area Three as required by the applicable independent unit of local government. The planning and design of the infrastructure is in accordance with current governmental regulatory requirements. The infrastructure will provide its intended function so long as the construction is in substantial compliance with the design and permits.

OWNERSHIP & MAINTENANCE

Ownership and maintenance of the improvements is generally anticipated as set forth in Table 1.

It is anticipated that, in addition to the annual non-ad valorem assessments to be levied and collected by the District to pay debt service on its bonds, the District will levy and collect an annual “Maintenance Assessment” to be determined, assessed, and levied by the District’s Board of Supervisors upon the assessable real property within Assessment Area Three for the purpose of defraying the cost and expenses of maintaining the improvements.

PERMIT STATUS

The required infrastructure improvements for the Assessment Area Three Project are contained in the following construction plans titled Serenoa Village 3 – Phase 1, 2 & 3, prepared by Heidt Design, LLC, and the landscape plans titled Serenoa Lakes AKA Serenoa Village 3 Hardscape Architecture, prepared by Bonnett Design Group, LLC.

The USACOE permits have been pursued where needed to offset federal wetland impacts. In addition, wildlife surveys were initially completed at the start of the project and have been updated with each phase of development.

The permit status of all permits issued to date or in process can be found in Table 3. Preliminary Plats, and Construction Plans have been approved by the St. John’s Water Management District, Lake County and the Florida Department of Environmental Protection for Village 3.

We are of the opinion that all permits not heretofore issued or in process and which are necessary to effect the improvements described herein will be obtained during the ordinary course of development.

SUMMARY OF COSTS

The estimated cost of the Assessment Area Three Project is as set forth in Table 2 at the end of this report.

ENGINEER'S OPINION

It is our professional opinion that the summary of costs listed in Table 2 is sufficient to complete the construction and acquisition of the items intended.

It is my professional opinion that these infrastructure improvements will benefit and add value to the assessable lands within the Assessment Area Three. Such assessable property within Assessment Area Three will receive a special benefit from the improvements in the Assessment Area Three Project, which benefit will be at least equal to the cost of such improvements. Infrastructure costs are for public improvements or community facilities as set forth in section 190.012(1) and (2) of the Florida Statutes.

The estimate of infrastructure construction costs is only an estimate and not a guaranteed maximum price. The estimated cost is based on unit prices currently being experienced for ongoing and similar items of work in Lake County and quantities as represented on construction plans. In no event will the District pay more than the actual cost or fair market value of the public improvements constituting the Assessment Area Three Project, whichever is the least.

All of the foregoing improvements are required by applicable development approvals. Note that there are no impact fee or similar credits available from the construction of any such improvements.

The labor market, future costs of equipment and materials, increased regulatory actions, and the actual construction process are all beyond control of the District. Due to this inherent opportunity for fluctuation of cost, the total final cost may be more or less than this estimate.

Assuming project construction continues in a timely manner, it is our opinion that the proposed improvements, if constructed and built in substantial accordance with the approved plans and specifications, can be completed and meets their intended functions. Where necessary, historical costs, and information from other professional or utility consultants and contractors have been used in preparation of this report. Consultants and contractors who have contributed in providing the cost data included in this report are from reputable entities in the Lake County area. It is therefore our opinion that the construction of the proposed project can be completed at the cost stated.



Timothy M. Plate, P.E.

Florida Registered Engineer No. 41153

Exhibit A

2021 Assessment Area Legal Description

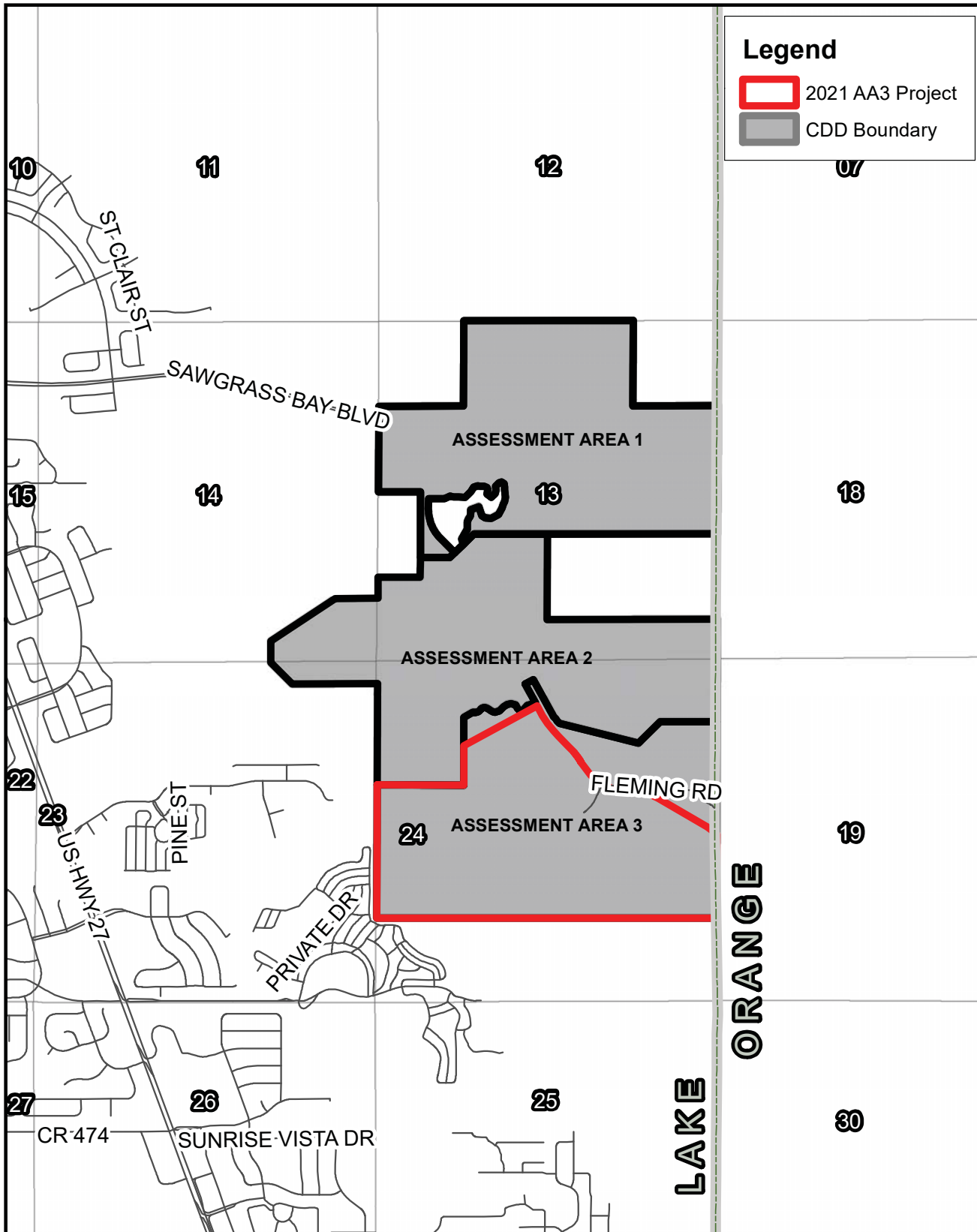
DESCRIPTION: A parcel of land lying in Section 24, Township 24 South, Range 26 East, Lake County, Florida, and being more particularly described as follows:

BEGIN at the Southwest corner of the Northwest 1/4 of said Section 24; thence along the West boundary of the said Northwest 1/4, N.00°08'57"E., a distance of 746.79 feet to the Southwest corner of SERENOA VILLAGE 1 PHASE 1B-1 according the plat thereof as recorded in Plat Book 71, Page 12 of the Public Records of Lake County, Florida; thence along the South boundary of said SERENOA VILLAGE 1 PHASE 1B-1 the following three (3) courses: 1) S.89°51'14"E., a distance of 1346.15 feet; 2) N.00°00'00"E., a distance of 614.90 feet; 3) N.61°29'31"E., a distance of 1297.85 feet to a point on the Westerly Right of Way line of Sawgrass Bay Boulevard; thence along said Westerly Right of Way line the following eight (8) courses: 1) S.28°30'29"E., a distance of 173.39 feet; 2) Southeasterly, 290.78 feet along the arc of a tangent curve to the left having a radius of 1106.00 feet and a central angle of 15°03'49" (chord bearing S.36°02'23"E., 289.94 feet); 3) S.43°34'17"E., a distance of 415.79 feet; 4) Southeasterly, 253.55 feet along the arc of a tangent curve to the right having a radius of 1000.00 feet and a central angle of 14°31'37" (chord bearing S.36°18'29"E., 252.87 feet); 5) Southeasterly, 942.54 feet along the arc of a reverse curve to the left having a radius of 856.00 feet and a central angle of 63°05'18" (chord bearing S.60°35'19"E., 895.64 feet); 6) Easterly, 424.50 feet along the arc of a reverse curve to the right having a radius of 750.00 feet and a central angle of 32°25'45" (chord bearing S.75°55'05"E., 418.85 feet); 7) S.59°42'12"E., a distance of 885.38 feet; 8) Southeasterly, 191.92 feet along the arc of a tangent curve to the right having a radius of 729.50 feet and a central angle of 15°04'24" (chord bearing S.52°10'00"E., 191.36 feet) to a point on the East boundary of the Southeast 1/4 of the aforesaid Section 24; thence along said East boundary, S.00°02'26"W., a distance of 1304.37 feet to the Southeast corner of the Northeast 1/4 of the Southeast 1/4 of said Section 24; thence along the South boundary of the North 1/2 of the Southeast 1/4 of said Section 24, S.89°58'53"W., a distance of 2643.90 feet to the Southeast corner of the Northeast 1/4 of the Southwest 1/4 of said Section 24; thence along the South boundary of the North 1/2 of the Southwest 1/4 of said Section 24, S.89°59'12"W., a distance of 2640.02 feet to the Southwest corner of the Northwest 1/4 of the Southwest 1/4 of said Section 24; thence along the West boundary of the Northwest 1/4 of the Southwest 1/4 of said Section 24, N.00°11'49"E., a distance of 1325.77 feet to the POINT OF BEGINNING.

Containing 276.516 acres, more or less.

Exhibit B

Vicinity Map



Legend

- 2021 AA3 Project
- CDD Boundary

Avalon Groves Community Development District
Vicinity Map
Lake County

0 1,000 2,000 Feet
Source: Heidt Design, Lake County, FGDL
Data was acquired from various sources including but not limited to state, county, and local governments. Heidt Design does not warrant data provided by other sources for accuracy, or for any particular use that may require accurate information. This map is for informational purposes only and should not be substituted for a true title search, property appraisal, or survey.

HEIDT
DESIGN
(813) 253-5311

Exhibit C

Concept Plan

Exhibit D

Aerial Map

Legend

-  2021 AA3 Project
-  CDD Boundary

WVGRASS BAY BLVD

ASSESSMENT AREA 1

ASSESSMENT AREA 2

CITRUS PARKWAY

FLEMING RD

PRIVATE DR

ASSESSMENT AREA 3

Sources: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS,
USDA, USGS, AeroGRID, IGN, and the GIS User Community

Avalon Groves Community Development District

Aerial

Lake County

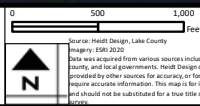


Table 1

Ownership & Maintenance

Table 1. OWNERSHIP AND MAINTENANCE

Ownership and maintenance of the improvements* is anticipated as set forth below:

<u>IMPROVEMENT</u>	<u>OWNERSHIP/MAINTENANCE</u>
Stormwater Management System	Community Development District (with Drainage Easements to Lake County)
Roadway Systems (Local Roads)	HOA (Private Roads) (CDD will have easement for maintaining curb and gutter)
Master Sewer Facilities	Utilities, Inc. (Private)
Master Water Facilities	Utilities, Inc. (Private)
Master Reuse Water System	Utilities, Inc. (Private)
Master Dry Utilities	Utility Companies (with Utility Easements)
Landscaping, Irrigation and Monument Signs	Community Development District (Outside Gates) HOA (Gates and Inside Gates)

*Only improvements that will be owned and maintained by the District or Lake County will be financed by the District.

Table 2

Opinion of Probable Cost

Table 2

<u>Item</u>	<u>Village 3 within Assessment Area Three</u>
	296 Lots
Master Infrastructure	
Land Acquisition (1)	\$3,617,331
Clearing / Earthwork (2)	\$737,154
Master Stormwater Management	\$1,058,221
Master Collector and Local Roads	\$0
Parks and Recreational Facilities / Amenities	\$0
Master Utilities (Water, Wastewater, Reuse)	\$0
Landscaping, Entry Features and Signs	\$181,944
Professional Fees (3)	\$316,371
Sub-total	\$5,911,021
Contingency	\$591,102
Project Total	\$6,502,124
Anticipated Buildout	2022
(1) Assumes \$79,556 per acre for uplands (storm water 36.22 acres) & \$5,700 per acre for Conservation (wetlands/wetland setbacks 128.83 acres). The District will pay the lesser of (i) the Developer's cost basis or (ii) appraised value, for land. The estimates provided herein are based on information from the Developer. The appraised value will be determined by an independent appraisal commissioned by the District.	
(2) Earthwork excludes the placement and grading on any developable lots	
(3) Professional fees associated with public infrastructure only	
(4) All Costs are in 2021 Dollars	

Table 3

Permit Status Update

PERMIT STATUS UPDATE

The permit status for the Avalon Groves development plans is as follows:

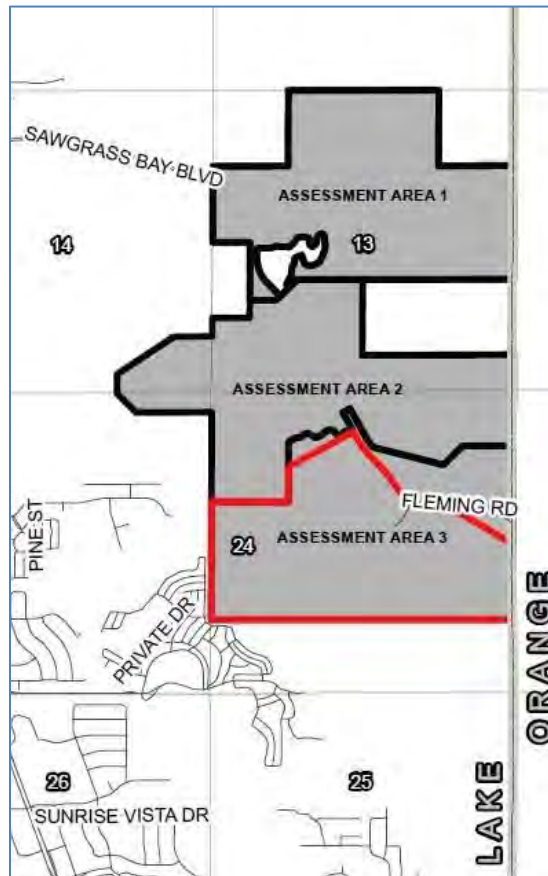
<u>PERMIT</u>	<u>STATUS</u>
1. Lake County – Active Adult Phases 1 & 2 Preliminary Plat	Approved
2. Lake County – Active Adult Phases 1 & 2 Construction Plans	Approved
3. Lake County – Active Adult Phases 1 & 2 Final Plat Plat Book 70, Pages 80 - 91	Approved
3. SJRWMD Environmental Resource Permit Active Adult Phase 1 & 2 – Permit #135777-7	Approved
4. SJRWMD Transfer of Ownership Active Adult Phase 1 & 2 – Permit #135777-10	Approved
5. Lake County – ROW Utilization Permit	Approved
6. FDEP Water Permit Phase 1 – Permit #0080594-059-DSGP	Approved
7. FDEP Wastewater Permit Phase 1 – Permit #0365689-001-DWG/CG	Approved
8. Lake County – Active Adult Model Homes and Sales Lots	Approved

EXHIBIT B

**AVALON GROVES
COMMUNITY DEVELOPMENT DISTRICT**

**THIRD SUPPLEMENTAL
SPECIAL ASSESSMENT METHODOLOGY
REPORT FOR THE ISSUANCE OF PROPOSED**

**\$6,075,000 SPECIAL ASSESSMENT BONDS, SERIES 2021
(ASSESSMENT AREA THREE PROJECT)**



February 10, 2021
(final pricing)

Prepared By
DPFG Management & Consulting LLC
250 International Parkway, Suite 280
Lake Mary, Florida 32746

**AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT
SUPPLEMENTAL ASSESSMENT METHODOLOGY REPORT**

Table of Contents

A. Overview	3
B. Master Assessment Allocation.....	3
C. Purpose of this Report	3
D. 2021 Project Bond Financing Plan	4
E. True-Up.....	5
F. Exemptions and Non-Benefitted Property	6
G. Assessment Allocation and Benefits.....	7
Assessment Standard.....	7
Assessment Methodology.....	7
These Special Benefits and Allocation of Assessments	7
H. Preliminary Assessment Roll and Collection	8
I. Conclusion	8
Special Benefit	8
Assessment Apportionment.....	8
Reasonableness of Assessment Apportionment.....	8
Best Interest.....	8
J. Prepayment Calculation Method.....	9
K. Sources and Uses of Funds for the 2021 Project.....	9
L. Allocation of Public Improvements Costs and Proposed Debt	10
M. Preliminary Assessment Roll.....	11
Exhibit A. Map of 2021 Project Area (Village 3 a/k/a Assessment Area Three)	12
Conceptual Site Plan.....	13
Legal Descriptions.....	14

List of Tables

Table 1. 2021 Assessable Property within Assessment Area Three	4
Table 2. Total District Debt and Maximum Annual Debt Service	4
Table 3. Assignment of Benefit and Assessment Area Three After Plat Map Recordation	5
Table 4. Assignment of Benefit and 2021 Assessable Property Before Plat Map Recordation.....	5
Table 5. Allocation of Public Improvement Costs.....	10
Table 6. Assessment Area Three Special Assessments Compared with Total PIC	10

A. Overview

The Avalon Groves Community Development District (the “**District**”) is a local unit of special-purpose government organized and existing in accordance with the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the “**Act**”), created by Ordinance No. 2016-16, duly enacted by the Board of County Commissioners of Lake County, Florida, on April 19, 2016 and becoming effective on April 27, 2016 (the “**Ordinance**”). To advance the development of the properties within the District, certain capital improvements have been planned for the entire development of the District, as described in the Report of the District Engineer, dated October 11, 2018 (the “**CIP**”). To finance the construction of portions of the CIP, the District plans to issue bonds in multiple series and levy Special Assessments to repay the bonds, including interest, as the development advances in separate phases within the District.

B. Master Assessment Allocation

The District determined to implement a portion of the CIP and to defray the cost thereof by levying special assessments on benefitted property and expressed an interest to issue bonds to provide the funds needed therefor prior to the collection of special assessments. The costs of the CIP are assessed against the benefitted property using the method described in the Master Assessment Methodology Report, dated October 27, 2016 (the “**Master AMR**”). That described methodology results in special assessments set forth in the assessment roll, which is part of the Master AMR and included in the Appendix herein. To accommodate, and align the bond financing with the phased infrastructure development, the District is divided into three separate and distinct assessment areas with associated future improvements, namely “Assessment Area One”, “Assessment Area Two”, and “Assessment Area Three” and collectively the (“**Assessment Areas**”). The Special Assessments are initially levied over all Undeveloped Property within each of the District’s Assessment Areas on an equal acreage basis anticipated. Subsequently, the Special Assessments attach to Developed Property on a “first platted, first assessed basis” within the respective Assessment Areas.

C. Purpose of this Report

This Third Supplemental Special Assessment Methodology Report relates to the issuance of the District’s Special Assessment Bonds, Series 2021, (Assessment Area Three Project) (the “**2021 Bonds**”), which are being issued to fund portions of the CIP, as described in the Report of the District Engineer dated January 29, 2021 necessary to develop the single-family residential lots in within Assessment Area Three¹ (the “**2021 Project**”), which is also known as “Village 3,” and is shown by the red boundary in **Exhibit A**. It is contemplated that the development in Assessment Area Three will occur in multiple phases. This report provides an assessment methodology for analyzing the benefits that the anticipated 296 single-family residential lots derive from the 2021 Project (Refer to Map of the 2021 Project Area and Conceptual Site Plan of Assessment Area Three herein) and determining a fair and equitable allocation of such benefits

¹ Assessment Area Three was originally established under District Resolution 2017-10 and the Master Report to refer to the 335-acre parcel shown by the black boundary of Assessment Area Three in **Exhibit B** of the Engineer’s Report. The District does not intend to change the original boundary of Assessment Area Three. Instead, for simplicity of description in the District’s offering statement issued in connection with the 2021 Bonds (defined herein), the name, “Assessment Area Three” a/k/a “Village 3,” will refer to the 276.516-acre parcel under development by Pulte Home Company, LLC and shown by the red boundary in **Exhibit B** of the Engineer’s Report. The balance of the 335-acre Assessment Area Three, as defined in the Master Report, is expected to be privately developed, and thus is not expected to be subject to District bonds or debt assessments. To explain further, the master project developer’s contributions of infrastructure, which include the third segment of the Sawgrass Bay Boulevard Extension as well as the future “neighborhood” improvements within the remaining portion of Assessment Area Three, are sufficient to offset any need to impose debt assessments on the remaining portion of Assessment Area Three (although operations and maintenance expenses may be appropriate).

through the levy of the Special Assessments associated with the 2021 Bonds (the “**Assessment Area Three Special Assessments**”). As described above, the District levied Special Assessments in the amount of not to exceed \$70 million pursuant to the Master AMR², which report is supplemented by this report. Any capitalized terms not otherwise defined herein will have the meaning ascribed to such term in the Master AMR.

While there is Undeveloped Property (defined below), the Assessment Area Three Special Assessments will remain levied against all of Assessment Area Three on an equal acreage basis.³ As the Assessment Area Three property becomes Developed Property (defined below), the Assessment Area Three Special Assessments will be re-allocated to those lots constituting Developed Property based on its ERU-based, assigned share in Assessment Area Three.

D. 2021 Project Bond Financing Plan

The 2021 Bonds are being issued for the primary purpose of funding portions of the costs related to the 2021 Project. In addition, net proceeds of the 2021 Bonds will be used to provide funds to (i) fund a debt service reserve account for the 2021 Bonds, (ii) pay the costs of issuance of the 2021 Bonds, and (iii) pay capitalized interest. A sources and uses table of the bond financing is enclosed herein in the Appendix. The size of the 2021 Bond in turn determines the Assessment Area Three Special Assessments levied to pay maximum annual debt service amounts (“**MADS**”). The 2021 Bond principal plus interest is secured by and payable from the Assessment Area Three Special Assessments levied on the land within Assessment Area Three as set forth in the table below.

Table 1. 2021 Assessable Property within Assessment Area Three

Bond Series	Prior to Plat Map Recordation and Development	After Plat Map Recordation and Development	Payable from, and Secured by
2021	Total of 276.516 acres comprised of Village 3 Lots	296 lots in Village 3	Assessment Area Three Special Assessments

The table below sets forth a summary of the total estimated 2021 Bonds principal amount and MADS.⁴

Table 2. Total District Debt and Maximum Annual Debt Service

Bond Series	Par Amount	MADS
2021	\$6,075,000	\$337,000

Each fiscal year, the CDD will certify for collection the Assessment Area Three Special Assessments, apportioned proportionately to Assessment Area Three until the aggregate amount of the Assessment Area Three Special Assessments has satisfied all of the MADS requirement for the 2021 Bonds. The Table below sets forth the proposed ERU Assignment, 2021 Bonds par per lot, MADS per lot both after plat map recordation and per lot product type.

² Based on bond principal amount sized for funding of all the CIP costs and adjusted for allowable bond financing costs including capitalized interest, reserves and cost of issuance.

³ Refer to the Appendix for a Preliminary Assessment Roll for details and legal description and sketch of the areas.

⁴ Excluding early payment discount and County collection charges.

Table 3. Assignment of Benefit and Assessment Area Three After Plat Map Recordation

Lot Product Type	Lots	ERU	Total ERU	% ERU	Par Amount	Par/Lot	Total MADS	MADS/Lot
40	133	0.90	119.70	40.95%	\$2,487,778	\$18,705	\$138,005	\$1,038
50	115	1.00	115.00	39.34%	\$2,390,096	\$20,783	\$132,586	\$1,153
60	48	1.20	57.60	19.71%	\$1,197,126	\$24,940	\$66,408	\$1,384
Total	296		292.30	100.00%	\$6,075,000		\$337,000	

Prior to plat map recordation, the Assessment Area Three Special Assessments for undeveloped property are described in the following table.

Table 4. Assignment of Benefit and 2021 Assessable Property Before Plat Map Recordation

Anticipated ERU	292.30
Undeveloped acres, ac	276.516
MADS per ac	\$1,218.74
Par Amount per ac	\$21,969.80

E. True-Up

As of this date, the developer has informed the District that it plans to construct a total of 296 lots in connection with Village 3 a/k/a Assessment Area Three, which represents a total of 292.30 ERUs. As development occurs, it is possible that the number of lots and lot mix may change within Assessment Area Three. In order to ensure that the Assessment Area Three Special Assessments allocation is maintained in accordance with the methodology specified by this report, a true-up analysis may be necessary (“**True-Up Analysis**”).

This True-Up Analysis is utilized to ensure that the principal amount of the Assessment Area Three Special Assessments on a per lot and per acre basis never exceeds the initially allocated amount as contemplated in the assessment methodology described herein. Prior to the time a parcel within the 276.516-acre Assessment Area Three is platted and developed, or ownership is transferred by the developer to any other entity or person with a specific number of assessable units allocated thereto, the True-Up Analysis will be conducted in accordance with the assessment methodology set forth herein and in the True-Up Agreement. As the lands within the District’s Assessment Area Three are developed, the allocation of the amounts assessed to and constituting a lien upon the 2021 Assessable Property will be calculated based upon certain density assumptions, which assumptions were provided by the developer.

At such time as acreage is contained within a proposed plat, or a deed or assignment agreement between the developer and a transferee that specifies the residential Lots or entitlements thereto being transferred to such transferee (“**Entitlement Transfer Document**”), the developer agrees that such proposed plat or Entitlement Transfer Document shall be presented to the District in accordance with the terms of the True-Up Agreement. The District will allocate the Assessment Area Three Special Assessments to the 2021 Assessable Property reflected in such plat or Entitlement Transfer Document in accordance with the applicable land use classifications, and the remaining 2021 Assessable Property within the District, and such reallocation will be recorded in the District’s lien book. This True-Up Analysis will ensure that the 2021 Bond debt does not accumulate disproportionately on Undeveloped Property, or undevelopable property, within Assessment Area Three, as defined herein. In the event that the density assumptions upon which this report is based change over time as determined by any True-Up Analysis such that fewer ERUs are being developed within Assessment Area Three than are contemplated by this report, the True-Up Analysis will determine the amount required to be paid by the developer to the District in order to satisfy, in whole or in part, the Assessment Area Three Special Assessments and ensure that the Assessment Area

Three Special Assessments continue to be allocated ratably against the actual density within Assessment Area Three in accordance with the methodology set forth in this report (the “**True-Up Obligation**”).

Any true-up shall become due and payable that tax year by the landowner of the lands subject to the proposed plat, shall be in addition to the regular assessment installment payable for such lands, and shall constitute part of the Assessment Area Three Assessment liens imposed against the proposed platted property until paid. A true-up shall include accrued interest on the Series 2021 Bonds to the interest payment date that occurs at least 45 days after the true-up (or the second succeeding interest payment date if such true-up payment is made within forty-five (45) calendar days before an interest payment date, as well as any collection and/or enforcement costs.

All Assessment Area Three Special Assessments levied run with the land, and such assessment liens include any true-ups. The District will not release any liens on property for which true-ups are due, until provision for such payment has been satisfactorily made. Further, upon the District’s review of the final plat for the developable acres, any unallocated Assessment Area Three Special Assessments shall become due and payable and must be paid prior to the District’s approval of that plat. The true-up process applies for both plats and/or re-plats. Any unpaid Assessment Area Three Special Assessments (including true-ups) may be collected directly by the District, or may be placed on the tax roll by the District for collection by the County Tax Collector pursuant to Section 197.3632, *Florida Statutes*.

Any transferee of property shall take title subject to any unpaid Assessment Area Three Special Assessments, including true-ups, and with respect to the portion of the property so transferred. As a point of clarification, and provided that any true-up payment is first made (which may be confirmed from an estoppel letter issued by the District through its District Manager), any platted lot conveyed to an end user with a home that has received a certificate of occupancy is automatically and forever released from any true-up obligation hereunder. Also provided that any true-up is first made (which may be confirmed from an estoppel letter issued by the District through its District Manager), any platted lot that is restricted from re-platting and is conveyed to a homebuilder is automatically and forever released from any true-up obligation hereunder, provided however that such platted lot is not in fact re-platted.

F. Exemptions and Non-Benefitted Property

No Assessment Area Three Special Assessments shall be assigned or attached to public property, property owner association property, or community amenities and facilities. These properties are treated as ancillary uses as a whole, because they will serve and benefit the primary residential development. According to Section 193.0235 (Ad valorem taxes and non-ad valorem assessments against subdivision property), Florida Statutes, special assessments may not be assessed separately against common elements utilized exclusively for the benefit of lot owners within the subdivision, regardless of ownership. Common elements include the following:

- a. The planned amenities that will be constructed by the developer and privately owned by a homeowner’s association for the benefit of the lot owners;
- b. Subdivision property not planned for development as lots which are intended to be conveyed or have been conveyed to a homeowner’s association.
- c. An easement through the subdivision property, not including the property described in paragraph (a), which has been dedicated to the public or retained for the benefit of the subdivision.
- d. Any other part of the subdivision which has been designated on the plat or is required to be designated on the site plan as a drainage pond, or detention or retention pond, for the exclusive benefit of the subdivision.
- e. Property located within the same county as the subdivision and used for at least 10 years exclusively for the benefit of lot owners within the subdivision.

G. Assessment Allocation and Benefits

Assessment Standard

Under Florida law, a valid special assessment that is made pursuant to District legislative authority requires (1) that the property assessed must derive a direct and special benefit from the improvement or service provided, and (2) that the assessment must be fairly and reasonably apportioned among properties that receive the special benefits.

Section 170.02, Florida Statutes, states “Special assessments against property deemed to be benefited by local improvements, as provided for in sec. 170.01, shall be assessed upon the property specially benefited by the improvement in proportion to the benefits to be derived therefrom, said special benefits to be determined and prorated according to the foot frontage of the respective properties specially benefited by said improvement, or by such other method as the governing body of the municipality may prescribe.”

The ERU allocation approach is a generally recognized and commonly approved method of proportionally spreading assessments over benefited properties for special assessments levied by community development districts. Although the general public outside the District will benefit from the CIP, such benefits are incidental. The facilities in the CIP meet the needs of the developed property within the District, as well as provide benefit to all residential property within the District. The property owners within the District are therefore receiving special benefits not received by those outside the boundaries, and direct and cumulative benefits accrue mainly to residents.

Assessment Methodology

This benefit and allocation approach is based on the principle that similar lot product types will receive a relatively equal and direct benefit from all or a portion of the District-wide CIP. The direct benefits from these improvements include increased use, enjoyment and increased property values to all residential properties, and the direct benefits from each District system and function. An assessment methodology based on ERUs provides a way to quantify the benefit that different lot sizes and land use types receive from public improvements in terms of their equivalence to a single-family residential dwelling unit on a standard lot width, which is defined as 1.0 ERU. Under the ERU model, the District allocates assessments on platted property proportionately based on lot size as indicated on the subject recorded plat map; assessments on undeveloped property (e.g., property without recorded subdivision plat map) are allocated proportionately based on acreage basis. As noted above, the equal benefit and assessment allocation approach is a generally recognized and approved method of proportionally spreading assessments over benefited properties within a special district.

These Special Benefits and Allocation of Assessments

In the present case, the financing program will enable the District to provide public improvements to Village 3. Such improvements will provide direct benefit for the utilization of this property, will substantially enhance the use and enjoyment of the benefited residential properties on the various lot product types, and will increase the value and marketability of the benefited residential properties. These benefits flow proportionately over all benefited lot types of various size.

The District will apply the assessment methodology to the financing program relating to the 2021 Project. All residential units in Village 3 will proportionately benefit depending on lot size as measured by front footage from the construction, purchase and maintenance of the public improvements included in the 2021 Project. A ranking and finding of 1.0 ERU per residential unit on lot product type with a front footage of fifty feet applies pursuant to the Master AMR.

H. Preliminary Assessment Roll and Collection

A Preliminary Assessment Roll is attached in the Appendix. The District expects to bill and collect directly the special assessments associated with the 2021 Bonds. Once platted, and except for certain exceptions provided for in the applicable trust indenture for the 2021 Bonds, the County tax collector will collect the special assessments on behalf of the District.

I. Conclusion

The acquisition and construction of the 2021 Project using the 2021 Bond proceeds will be utilized for common District purposes associated with Assessment Area Three. The Assessment Area Three Special Assessments will be assigned over all 2021 Assessable Property on a fair and equitable basis as described herein. The 2021 Assessable Property will receive benefits in excess of the allocated Assessment Area Three Special Assessments. Accordingly, this is an appropriate District project that will significantly benefit Assessment Area Three and enhance the District.

Special Benefit

The 2021 Project will provide special benefit to parcels within Assessment Area Three of the District. It delivers interconnected structural improvement elements that provide a framework that supports, complements and adds to the entire development. The 2021 Project yields benefits to parcel owners in terms of meeting development needs and increasing property values.

Assessment Apportionment

The Assessment Area Three Special Assessments are fairly and equally apportioned over all of Assessment Area Three. The benefits are quantified and assigned to parcels regardless of lot size, reflecting the general uniform benefits that the lots receive from the 2021 Project. Accordingly, the District has assigned proxy values to the various expected lot sizes on the basis that each lot receives the value and ranking of 1.0 ERU.

Reasonableness of Assessment Apportionment

It is reasonable, proper and just to assess the costs of the 2021 Project against lands in Assessment Area Three of the District. As a result of the 2021 Project, certain properties in the District receive special benefit and increase in value. Based on the premise that the 2021 Project makes the properties more valuable, in return it is reasonable for the District to assign the Assessment Area Three Special Assessments on the 2021 Assessable Property within Assessment Area Three of the District. The benefits will be equal to or in excess of the assessments thereon when allocated.

Best Interest

The District provides for delivering the public improvements in a timely, orderly, and efficient manner. It can economically and efficiently provide the amount and quality of services required by the public. The District provides a financing mechanism to (i) fund the 2021 Project at a relatively low cost of capital, and (ii) on a timely, “pay for itself” type basis. The exercise by the District of its powers is consistent with applicable with state law. It is in the best interest of the District.

J. Prepayment Calculation Method

The Assessment Area Three Special Assessments obligation of a lot may be prepaid in full or in part, and the obligation of the lot to pay the Assessment Area Three Special Assessments may be permanently satisfied; provided that a prepayment may be made only if there are no delinquent Assessment Area Three Special Assessments with respect to such lot at time of prepayment. The Assessment Area Three Special Assessments Prepayment amount is calculated as follows:

Determine the Outstanding District Debt amount allocated to the subject Lot

Plus: Accrued interest on principal amount to be prepaid, calculated to next interest payment date, which shall occur at least 45 days prior to the tender of the prepayment or calculated to the next succeeding interest payment date if the prepayment is made within 45 days of the next interest payment date

Less: A proportionate amount of Capitalized Interest, if any remains at time of the prepayment

Equals: Total Prepayment Amount (PA)

Plus: Reasonable administrative fees and expenses related to lien release, calculation and recordation as determined by the CDD manager (A)

Partial Prepayment (PP) is calculated as follows: $PP = (PA * F) + A$

The term F means the percent by which the owner of the subject Lot is partially prepaying the Special Assessment. With respect to a partial prepayment, the District manager shall indicate in the District records that there has been a partial prepayment and that a portion of the Special Assessment equal to (1.00 minus F) of the remaining Special Assessment shall continue to be authorized to be levied on such subject Lot.

K. Sources and Uses of Funds for the 2021 Project

\$6,075,000 SPECIAL ASSESSMENT BONDS, SERIES 2021 (Assessment Area Three Project)

Sources	\$ Amount
Par	6,075,000
Net Premium	94,719
	6,169,719
Uses	
Net Construction Proceeds	5,547,461
Capitalized Interest (through 11/1/2021)	144,559
Debt Service Reserve Fund	168,500
Cost of Issuance	309,200
	6,169,719

L. Allocation of Public Improvements Costs and Proposed Debt

The 2021 Project costs and the other uses of bond proceeds are used as proxy value for total benefit. As described in the Engineer's Report, the completed public infrastructure costs are estimated in the amount of \$6,502,124. The following table sets forth the allocation of public improvements costs ("PIC") among the Assessment Area Three lands, including an allowance for other uses of bond proceeds such as deposit to the debt service reserve fund, capitalized interest, and costs of issuance.

Assessment Area Three (Village 3)

Table 5. Allocation of Public Improvement Costs

Lot Width	Total Lots	ERU	Total ERU	% ERU	Total PIC (as proxy for benefit)	Benefit Per Lot
40	133	0.90	119.70	40.95%	\$2,662,690	\$20,020
50	115	1.00	115.00	39.34%	\$2,558,140	\$22,245
60	48	1.20	57.60	19.71%	\$1,281,294	\$26,694
Total	296	0.00	292.30	100.00%	\$6,502,124	

Table 6. Assessment Area Three Special Assessments Compared with Total PIC

Lot Width	Series 2021 Bonds Principal Amount	Benefit Per Lot	Debt Over/(Under) Benefit
40	\$18,705	\$20,020	(\$1,315)
50	\$20,783	\$22,245	(\$1,461)
60	\$24,940	\$26,694	(\$1,754)

M. Preliminary Assessment Roll

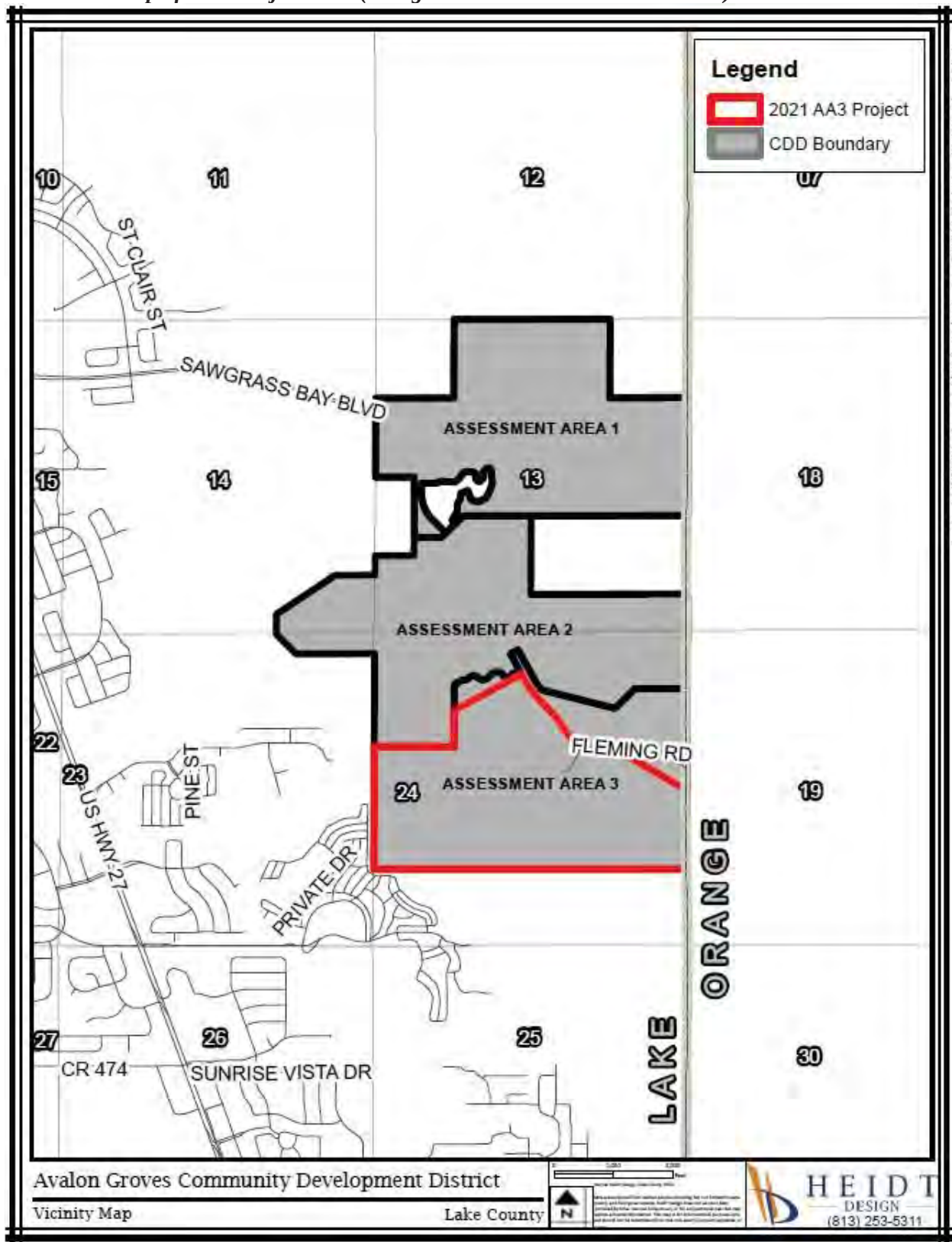
Assessment Area Three / Village 3

Lot / Parcel	Assigned ERU	Series 2021 Bonds Principal Amount	MADS / (b)
See attached Legal Description for 276.516 acres	292.30	\$6,075,000	\$337,000

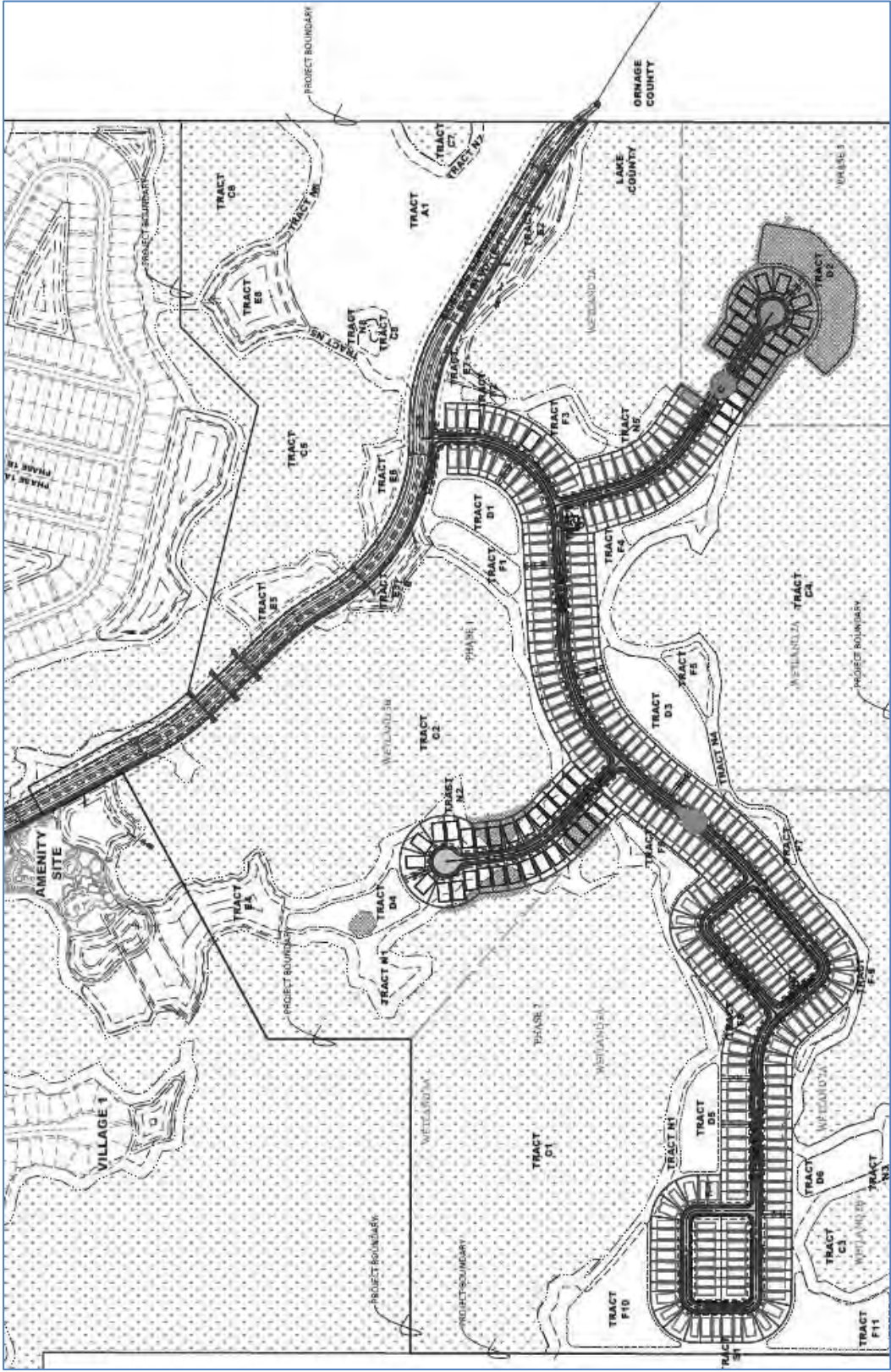
Footnote:

- (a) The Assessment Area Three Special Assessments will remain assigned against property that is not platted on an equal acreage basis until it is platted.
- (b) Excluding County collection charges and early payment discounts

Exhibit A. Map of 2021 Project Area (Village 3 a/k/a Assessment Area Three)



Conceptual Site Plan



Legal Descriptions

DESCRIPTION: A parcel of land lying in Section 24, Township 24 South, Range 26 East, Lake County, Florida, and being more particularly described as follows:

BEGIN at the Southwest corner of the Northwest 1/4 of said Section 24; thence along the West boundary of the said Northwest 1/4, N.00°08'57"E., a distance of 746.79 feet to the Southwest corner of SERENOA VILLAGE 1 PHASE 1B-1 according the plat thereof as recorded in Plat Book 71, Page 12 of the Public Records of Lake County, Florida; thence along the South boundary of said SERENOA VILLAGE 1 PHASE 1B-1 the following three (3) courses: 1) S.89°51'14"E., a distance of 1346.15 feet; 2) N.00°00'00"E., a distance of 614.90 feet; 3) N.61°29'31"E., a distance of 1297.85 feet to a point on the Westerly Right of Way line of Sawgrass Bay Boulevard; thence along said Westerly Right of Way line the following eight (8) courses: 1) S.28°30'29"E., a distance of 173.39 feet; 2) Southeasterly, 290.78 feet along the arc of a tangent curve to the left having a radius of 1106.00 feet and a central angle of 15°03'49" (chord bearing S.36°02'23"E., 289.94 feet); 3) S.43°34'17"E., a distance of 415.79 feet; 4) Southeasterly, 253.55 feet along the arc of a tangent curve to the right having a radius of 1000.00 feet and a central angle of 14°31'37" (chord bearing S.36°18'29"E., 252.87 feet); 5) Southeasterly, 942.54 feet along the arc of a reverse curve to the left having a radius of 856.00 feet and a central angle of 63°05'18" (chord bearing S.60°35'19"E., 895.64 feet); 6) Easterly, 424.50 feet along the arc of a reverse curve to the right having a radius of 750.00 feet and a central angle of 32°25'45" (chord bearing S.75°55'05"E., 418.85 feet); 7) S.59°42'12"E., a distance of 885.38 feet; 8) Southeasterly, 191.92 feet along the arc of a tangent curve to the right having a radius of 729.50 feet and a central angle of 15°04'24" (chord bearing S.52°10'00"E., 191.36 feet) to a point on the East boundary of the Southeast 1/4 of the aforesaid Section 24; thence along said East boundary, S.00°02'26"W., a distance of 1304.37 feet to the Southeast corner of the Northeast 1/4 of the Southeast 1/4 of said Section 24; thence along the South boundary of the North 1/2 of the Southeast 1/4 of said Section 24, S.89°58'53"W., a distance of 2643.90 feet to the Southeast corner of the Northeast 1/4 of the Southwest 1/4 of said Section 24; thence along the South boundary of the North 1/2 of the Southwest 1/4 of said Section 24, S.89°59'12"W., a distance of 2640.02 feet to the Southwest corner of the Northwest 1/4 of the Southwest 1/4 of said Section 24; thence along the West boundary of the Northwest 1/4 of the Southwest 1/4 of said Section 24, N.00°11'49"E., a distance of 1325.77 feet to the POINT OF BEGINNING.

Containing 276.516 acres, more or less.

EXHIBIT C

Legal Descriptions

DESCRIPTION: A parcel of land lying in Section 24, Township 24 South, Range 26 East, Lake County, Florida, and being more particularly described as follows:

BEGIN at the Southwest corner of the Northwest 1/4 of said Section 24; thence along the West boundary of the said Northwest 1/4, N.00°08'57"E., a distance of 746.79 feet to the Southwest corner of SERENOA VILLAGE 1 PHASE 1B-1 according the plat thereof as recorded in Plat Book 71, Page 12 of the Public Records of Lake County, Florida; thence along the South boundary of said SERENOA VILLAGE 1 PHASE 1B-1 the following three (3) courses: 1) S.89°51'14"E., a distance of 1346.15 feet; 2) N.00°00'00"E., a distance of 614.90 feet; 3) N.61°29'31"E., a distance of 1297.85 feet to a point on the Westerly Right of Way line of Sawgrass Bay Boulevard; thence along said Westerly Right of Way line the following eight (8) courses: 1) S.28°30'29"E., a distance of 173.39 feet; 2) Southeasterly, 290.78 feet along the arc of a tangent curve to the left having a radius of 1106.00 feet and a central angle of 15°03'49" (chord bearing S.36°02'23"E., 289.94 feet); 3) S.43°34'17"E., a distance of 415.79 feet; 4) Southeasterly, 253.55 feet along the arc of a tangent curve to the right having a radius of 1000.00 feet and a central angle of 14°31'37" (chord bearing S.36°18'29"E., 252.87 feet); 5) Southeasterly, 942.54 feet along the arc of a reverse curve to the left having a radius of 856.00 feet and a central angle of 63°05'18" (chord bearing S.60°35'19"E., 895.64 feet); 6) Easterly, 424.50 feet along the arc of a reverse curve to the right having a radius of 750.00 feet and a central angle of 32°25'45" (chord bearing S.75°55'05"E., 418.85 feet); 7) S.59°42'12"E., a distance of 885.38 feet; 8) Southeasterly, 191.92 feet along the arc of a tangent curve to the right having a radius of 729.50 feet and a central angle of 15°04'24" (chord bearing S.52°10'00"E., 191.36 feet) to a point on the East boundary of the Southeast 1/4 of the aforesaid Section 24; thence along said East boundary, S.00°02'26"W., a distance of 1304.37 feet to the Southeast corner of the Northeast 1/4 of the Southeast 1/4 of said Section 24; thence along the South boundary of the North 1/2 of the Southeast 1/4 of said Section 24, S.89°58'53"W., a distance of 2643.90 feet to the Southeast corner of the Northeast 1/4 of the Southwest 1/4 of said Section 24; thence along the South boundary of the North 1/2 of the Southwest 1/4 of said Section 24, S.89°59'12"W., a distance of 2640.02 feet to the Southwest corner of the Northwest 1/4 of the Southwest 1/4 of said Section 24; thence along the West boundary of the Northwest 1/4 of the Southwest 1/4 of said Section 24, N.00°11'49"E., a distance of 1325.77 feet to the POINT OF BEGINNING.

Containing 276.516 acres, more or less.

COMPOSITE EXHIBIT D

BOND PRICING

Avalon Groves Community Development District
Special Assessment Bonds, Series 2021 (Assessment Area Three Project)

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Call Date	Call Price
Term 1:	05/01/2026	650,000	2.375%	2.375%	100.000		
Term 2:	05/01/2032	915,000	3.000%	3.000%	100.000		
Term 3:	05/01/2041	1,740,000	3.375%	3.400%	99.633		
Term 4:	05/01/2051	2,770,000	4.000%	3.600%	103.650 C	05/01/2032	100.000
		6,075,000					

Dated Date	02/26/2021	
Delivery Date	02/26/2021	
First Coupon	11/01/2021	
Par Amount	6,075,000.00	
Premium	94,719.20	
Production	6,169,719.20	101.559164%
Underwriter's Discount	-121,500.00	-2.000000%
Purchase Price	6,048,219.20	99.559164%
Accrued Interest		
Net Proceeds	6,048,219.20	

SOURCES AND USES OF FUNDS

Avalon Groves Community Development District
Special Assessment Bonds, Series 2021 (Assessment Area Three Project)

Sources:

Bond Proceeds:	
Par Amount	6,075,000.00
Net Premium	94,719.20
	6,169,719.20

Uses:

Other Fund Deposits:	
DSRF (50% MADS)	168,500.00
Capitalized Interest Fund (through 11/1/2021)	
	144,558.51
	313,058.51
Delivery Date Expenses:	
Cost of Issuance	187,700.00
Underwriter's Discount	
	121,500.00
	309,200.00
Other Uses of Funds:	
Construction Fund	5,547,460.69
	6,169,719.20

BOND DEBT SERVICE

Avalon Groves Community Development District
Special Assessment Bonds, Series 2021 (Assessment Area Three Project)

Period Ending	Principal	Coupon	Interest	Debt Service
11/01/2021			144,558.51	144,558.51
11/01/2022	125,000	2.375%	210,928.13	335,928.13
11/01/2023	125,000	2.375%	207,959.38	332,959.38
11/01/2024	130,000	2.375%	204,931.25	334,931.25
11/01/2025	135,000	2.375%	201,784.38	336,784.38
11/01/2026	135,000	2.375%	198,578.13	333,578.13
11/01/2027	140,000	3.000%	194,875.00	334,875.00
11/01/2028	145,000	3.000%	190,600.00	335,600.00
11/01/2029	150,000	3.000%	186,175.00	336,175.00
11/01/2030	155,000	3.000%	181,600.00	336,600.00
11/01/2031	160,000	3.000%	176,875.00	336,875.00
11/01/2032	165,000	3.000%	172,000.00	337,000.00
11/01/2033	170,000	3.375%	166,656.25	336,656.25
11/01/2034	175,000	3.375%	160,834.38	335,834.38
11/01/2035	180,000	3.375%	154,843.76	334,843.76
11/01/2036	185,000	3.375%	148,684.38	333,684.38
11/01/2037	190,000	3.375%	142,356.25	332,356.25
11/01/2038	200,000	3.375%	135,775.00	335,775.00
11/01/2039	205,000	3.375%	128,940.63	333,940.63
11/01/2040	215,000	3.375%	121,853.13	336,853.13
11/01/2041	220,000	3.375%	114,512.50	334,512.50
11/01/2042	230,000	4.000%	106,200.00	336,200.00
11/01/2043	240,000	4.000%	96,800.00	336,800.00
11/01/2044	250,000	4.000%	87,000.00	337,000.00
11/01/2045	260,000	4.000%	76,800.00	336,800.00
11/01/2046	270,000	4.000%	66,200.00	336,200.00
11/01/2047	280,000	4.000%	55,200.00	335,200.00
11/01/2048	290,000	4.000%	43,800.00	333,800.00
11/01/2049	305,000	4.000%	31,900.00	336,900.00
11/01/2050	315,000	4.000%	19,500.00	334,500.00
11/01/2051	330,000	4.000%	6,600.00	336,600.00
	6,075,000		4,135,321.06	10,210,321.06

BOND DEBT SERVICE

Avalon Groves Community Development District
Special Assessment Bonds, Series 2021 (Assessment Area Three Project)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
11/01/2021			144,558.51	144,558.51	144,558.51
05/01/2022	125,000	2.375%	106,206.25	231,206.25	
11/01/2022			104,721.88	104,721.88	335,928.13
05/01/2023	125,000	2.375%	104,721.88	229,721.88	
11/01/2023			103,237.50	103,237.50	332,959.38
05/01/2024	130,000	2.375%	103,237.50	233,237.50	
11/01/2024			101,693.75	101,693.75	334,931.25
05/01/2025	135,000	2.375%	101,693.75	236,693.75	
11/01/2025			100,090.63	100,090.63	336,784.38
05/01/2026	135,000	2.375%	100,090.63	235,090.63	
11/01/2026			98,487.50	98,487.50	333,578.13
05/01/2027	140,000	3.000%	98,487.50	238,487.50	
11/01/2027			96,387.50	96,387.50	334,875.00
05/01/2028	145,000	3.000%	96,387.50	241,387.50	
11/01/2028			94,212.50	94,212.50	335,600.00
05/01/2029	150,000	3.000%	94,212.50	244,212.50	
11/01/2029			91,962.50	91,962.50	336,175.00
05/01/2030	155,000	3.000%	91,962.50	246,962.50	
11/01/2030			89,637.50	89,637.50	336,600.00
05/01/2031	160,000	3.000%	89,637.50	249,637.50	
11/01/2031			87,237.50	87,237.50	336,875.00
05/01/2032	165,000	3.000%	87,237.50	252,237.50	
11/01/2032			84,762.50	84,762.50	337,000.00
05/01/2033	170,000	3.375%	84,762.50	254,762.50	
11/01/2033			81,893.75	81,893.75	336,656.25
05/01/2034	175,000	3.375%	81,893.75	256,893.75	
11/01/2034			78,940.63	78,940.63	335,834.38
05/01/2035	180,000	3.375%	78,940.63	258,940.63	
11/01/2035			75,903.13	75,903.13	334,843.76
05/01/2036	185,000	3.375%	75,903.13	260,903.13	
11/01/2036			72,781.25	72,781.25	333,684.38
05/01/2037	190,000	3.375%	72,781.25	262,781.25	
11/01/2037			69,575.00	69,575.00	332,356.25
05/01/2038	200,000	3.375%	69,575.00	269,575.00	
11/01/2038			66,200.00	66,200.00	335,775.00
05/01/2039	205,000	3.375%	66,200.00	271,200.00	
11/01/2039			62,740.63	62,740.63	333,940.63
05/01/2040	215,000	3.375%	62,740.63	277,740.63	
11/01/2040			59,112.50	59,112.50	336,853.13
05/01/2041	220,000	3.375%	59,112.50	279,112.50	
11/01/2041			55,400.00	55,400.00	334,512.50
05/01/2042	230,000	4.000%	55,400.00	285,400.00	
11/01/2042			50,800.00	50,800.00	336,200.00
05/01/2043	240,000	4.000%	50,800.00	290,800.00	
11/01/2043			46,000.00	46,000.00	336,800.00
05/01/2044	250,000	4.000%	46,000.00	296,000.00	
11/01/2044			41,000.00	41,000.00	337,000.00
05/01/2045	260,000	4.000%	41,000.00	301,000.00	
11/01/2045			35,800.00	35,800.00	336,800.00
05/01/2046	270,000	4.000%	35,800.00	305,800.00	
11/01/2046			30,400.00	30,400.00	336,200.00
05/01/2047	280,000	4.000%	30,400.00	310,400.00	
11/01/2047			24,800.00	24,800.00	335,200.00
05/01/2048	290,000	4.000%	24,800.00	314,800.00	
11/01/2048			19,000.00	19,000.00	333,800.00

BOND DEBT SERVICE

Avalon Groves Community Development District
Special Assessment Bonds, Series 2021 (Assessment Area Three Project)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
05/01/2049	305,000	4.000%	19,000.00	324,000.00	
11/01/2049			12,900.00	12,900.00	336,900.00
05/01/2050	315,000	4.000%	12,900.00	327,900.00	
11/01/2050			6,600.00	6,600.00	334,500.00
05/01/2051	330,000	4.000%	6,600.00	336,600.00	
11/01/2051					336,600.00
	6,075,000		4,135,321.06	10,210,321.06	10,210,321.06

EXHIBIT 9

This instrument was prepared by:

HOPPING GREEN & SAMS, P.A.
119 South Monroe Street, Suite 300
Tallahassee, Florida 32301

**SUPPLEMENTAL¹ DECLARATION OF CONSENT
(AA3 2021 BONDS)**

Pulte Home Company, LLC, a foreign limited liability company, together with its successors and assigns (together, "**Landowner**"), represents that it is the owner of 100% of the developable land described in **Exhibit A** attached hereto and made a part hereof ("**Property**"), and further declares, acknowledges and agrees as follows:

1. The Avalon Groves Community Development District ("**District**") is, and has been at all times, on and after April 27, 2016, a legally created, duly organized, and validly existing community development district under the provisions of Chapter 190, *Florida Statutes*, as amended ("**Act**"). Without limiting the generality of the foregoing, the Landowner acknowledges that: (a) the petition filed with the Board of County Commissioners for Lake County, Florida ("**County**"), relating to the creation of the District contained all matters required by the Act to be contained therein and was filed in the manner and by the persons required by the Act; (b) County Ordinance 2016-16, effective as of April 27, 2016, was duly and properly adopted by the County in compliance with all applicable requirements of law; and (c) the members of the Board of Supervisors of the District were duly and properly designated pursuant to the Act to serve in their capacities, and had the authority and right to authorize, approve and undertake all actions of the District approved and undertaken from April 27, 2016, to and including the date of this Declaration.

2. The Landowner understands and acknowledges that the District has adopted Resolution Nos. 2017-10 and 2021-07 (collectively, "**Assessment Resolutions**") that levied and imposed debt service special assessment liens on the Property (together, "**Assessments**"). Such Assessments, which may include "true-up" payments pursuant to the terms of the Assessment Resolutions, are legal, valid and binding first liens upon the Property, coequal with the lien of all state, county, district and municipal taxes, and superior in dignity to all other liens, titles and claims, until paid.

3. The Landowner hereby expressly acknowledges, represents and agrees that: (i) the Assessments (including any "true-up" payments), the Assessment Resolutions, and the terms of the financing documents related to the District's issuance of its \$6,075,000 Special Assessment Bonds, Series 2021 (Assessment Area Three Project), or securing payment thereof ("**Financing Documents**"), are, to the extent of the Landowner's obligations thereunder and with respect thereto, valid and binding obligations enforceable in accordance with their terms; (ii) the Landowner has no claims or offsets whatsoever against, or defenses or counterclaims whatsoever to, payments of the Assessments (including any "true-up" payments) and/or amounts due under the Financing Documents, and the Landowner expressly waives any such claims, offsets, defenses or counterclaims; (iii) the Landowner

¹ This *Supplemental Declaration of Consent (2021 Bonds)* supplements that prior *Declaration of Consent (Assessment Area 3)* recorded in the Public Records of Lake County, Florida at Instrument No. 2018142370, Official Records Book 5209, Page 330 et seq., which otherwise remains in full force and effect.

hereby waives any and all rights, remedies, and other actions now or hereafter contemplated to contest, challenge, or otherwise dispute or object to the Assessment Resolutions, the Assessments (including any "true-up" payments), the Financing Documents, and all proceedings undertaken by the District in connection therewith; (iv) the Landowner expressly waives and relinquishes any argument, claim or defense that foreclosure proceedings cannot be commenced until one (1) year after the date of the Landowner's default and agrees that, immediate use of remedies in Chapter 170, *Florida Statutes*, is an appropriate and available remedy, notwithstanding the provisions of Section 190.026, *Florida Statutes*; and (v) to the extent Landowner fails to timely pay any special assessments collected by mailed notice of the District, such unpaid special assessments and future special assessments may be placed on the tax roll by the District for collection by the Tax Collector pursuant to section 197.3632, *Florida Statutes*, in any subsequent year.

4. The Landowner hereby waives the right granted in Section 170.09, *Florida Statutes*, to prepay the Assessments within thirty (30) days after the improvements are completed, without interest, in consideration of, among other things, rights granted by the District to prepay Assessments in full at any time, but with interest, under the circumstances set forth in the resolutions of the District levying such Assessments.

5. This Declaration shall represent a lien of record for purposes of Florida law, including but not limited to Chapter 197, *Florida Statutes*, and Sections 197.552 and 197.573, *Florida Statutes*, among others. Other information regarding the Assessments is available from the District's Manager, c/o DPGF, 250 International Parkway, Suite 280, Lake Mary, Florida 32746.

THE DECLARATIONS, ACKNOWLEDGEMENTS AND AGREEMENTS CONTAINED HEREIN SHALL RUN WITH THE PROPERTY DESCRIBED IN EXHIBIT A HERETO AND SHALL BE BINDING ON THE LANDOWNERS AND ON ALL PERSONS (INCLUDING BUT NOT LIMITED TO INDIVIDUALS AS WELL AS CORPORATIONS, ASSOCIATIONS, TRUSTS, AND OTHER LEGAL ENTITIES) TAKING TITLE TO ALL OR ANY PART OF THE PROPERTY, AND THEIR SUCCESSORS IN INTEREST, WHETHER OR NOT THE PROPERTY IS PLATTED AT SUCH TIME. BY TAKING SUCH TITLE, SUCH PERSONS SHALL BE DEEMED TO HAVE CONSENTED AND AGREED TO THE PROVISIONS OF THIS DECLARATION TO THE SAME EXTENT AS IF THEY HAD EXECUTED IT AND BY TAKING SUCH TITLE, SUCH PERSONS SHALL BE ESTOPPED FROM CONTESTING, IN COURT OR OTHERWISE, THE VALIDITY, LEGALITY AND ENFORCEABILITY OF THIS DECLARATION.

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[SIGNATURE PAGE FOR DECLARATION OF CONSENT]

To be effective as of the 26th day of February, 2021.

WITNESS

PULTE HOME COMPANY, LLC

By: _____
Name: _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 20__, by _____, as _____ of PULTE HOME COMPANY, LLC, who appeared before me this day in person, and who is either personally known to me, or produced _____ as identification.

NOTARY PUBLIC, STATE OF _____

(NOTARY SEAL)

Name: _____
(Name of Notary Public, Printed, Stamped or Typed as
Commissioned)

EXHIBIT A: Legal Description of Property

EXHIBIT A

Legal Descriptions

DESCRIPTION: A parcel of land lying in Section 24, Township 24 South, Range 26 East, Lake County, Florida, and being more particularly described as follows:

BEGIN at the Southwest corner of the Northwest 1/4 of said Section 24; thence along the West boundary of the said Northwest 1/4, N.00°08'57"E., a distance of 746.79 feet to the Southwest corner of SERENOA VILLAGE 1 PHASE 1B-1 according the plat thereof as recorded in Plat Book 71, Page 12 of the Public Records of Lake County, Florida; thence along the South boundary of said SERENOA VILLAGE 1 PHASE 1B-1 the following three (3) courses: 1) S.89°51'14"E., a distance of 1346.15 feet; 2) N.00°00'00"E., a distance of 614.90 feet; 3) N.61°29'31"E., a distance of 1297.85 feet to a point on the Westerly Right of Way line of Sawgrass Bay Boulevard; thence along said Westerly Right of Way line the following eight (8) courses: 1) S.28°30'29"E., a distance of 173.39 feet; 2) Southeasterly, 290.78 feet along the arc of a tangent curve to the left having a radius of 1106.00 feet and a central angle of 15°03'49" (chord bearing S.36°02'23"E., 289.94 feet); 3) S.43°34'17"E., a distance of 415.79 feet; 4) Southeasterly, 253.55 feet along the arc of a tangent curve to the right having a radius of 1000.00 feet and a central angle of 14°31'37" (chord bearing S.36°18'29"E., 252.87 feet); 5) Southeasterly, 942.54 feet along the arc of a reverse curve to the left having a radius of 856.00 feet and a central angle of 63°05'18" (chord bearing S.60°35'19"E., 895.64 feet); 6) Easterly, 424.50 feet along the arc of a reverse curve to the right having a radius of 750.00 feet and a central angle of 32°25'45" (chord bearing S.75°55'05"E., 418.85 feet); 7) S.59°42'12"E., a distance of 885.38 feet; 8) Southeasterly, 191.92 feet along the arc of a tangent curve to the right having a radius of 729.50 feet and a central angle of 15°04'24" (chord bearing S.52°10'00"E., 191.36 feet) to a point on the East boundary of the Southeast 1/4 of the aforesaid Section 24; thence along said East boundary, S.00°02'26"W., a distance of 1304.37 feet to the Southeast corner of the Northeast 1/4 of the Southeast 1/4 of said Section 24; thence along the South boundary of the North 1/2 of the Southeast 1/4 of said Section 24, S.89°58'53"W., a distance of 2643.90 feet to the Southeast corner of the Northeast 1/4 of the Southwest 1/4 of said Section 24; thence along the South boundary of the North 1/2 of the Southwest 1/4 of said Section 24, S.89°59'12"W., a distance of 2640.02 feet to the Southwest corner of the Northwest 1/4 of the Southwest 1/4 of said Section 24; thence along the West boundary of the Northwest 1/4 of the Southwest 1/4 of said Section 24, N.00°11'49"E., a distance of 1325.77 feet to the POINT OF BEGINNING.

Containing 276.516 acres, more or less.

EXHIBIT 10

This instrument was prepared by:

HOPPING GREEN & SAMS P.A.
119 South Monroe Street, Suite 300
Tallahassee, Florida 32301

SUPPLEMENTAL DISCLOSURE OF PUBLIC FINANCE (AA3 2021 BONDS)

The Avalon Groves Community Development District ("**District**") is a unit of special-purpose local government created pursuant to and existing under the provisions of Chapter 190, *Florida Statutes*. Under Florida law, community development districts are required to take affirmative steps to provide for the full disclosure of information relating to the public financing and maintenance of improvements to real property undertaken by such districts. This disclosure is intended to supplement that prior *Corrective Disclosure of Public Financing and Maintenance of Improvements to Real Property* recorded at Book 5209, Pages 310 et seq. in the Public Records of Lake County, Florida, and that prior *Supplemental Disclosure of Public Finance (2019 Bonds)*, recorded at Instrument No. 2019085051, Official Records Book 5317, Pages 2095 et seq. also in the Public Records of Lake County, Florida (together, "**Prior Disclosure**").

2021 PROJECT, BONDS & ASSESSMENTS

On February 26, 2021, the District issued its \$6,075,000 Special Assessment Bonds, Series 2021 (Assessment Area Three Project) ("**2021 Bonds**") to finance all or a portion of its "**2021 Project**," which consists of improvements, work product and land for the development of the first part of Assessment Area Three, which part is known as "**Village 3**" or the "**2021 Assessment Area**." The 2021 Project is described in the *Engineer's Supplemental Report – 2021 Bond Issuance*, dated February 1, 2021 ("**2021 Engineer's Report**"). The 2021 Bonds are secured by special assessments ("**2021 Assessments**") levied and imposed on certain benefitted lands within the 2021 Assessment Area, which is shown in **Exhibit B** attached hereto. The 2021 Assessments are further described in the *Third Supplemental Special Assessment Methodology Report*, dated February 10, 2021 ("**2021 Assessment Report**").

A detailed description of all of the District's assessments, fees and charges, as well as copies of the 2021 Engineer's Report, 2021 Assessment Report, and other District records described herein, may be obtained from the registered agent of the District as designated to the Florida Department of Economic Opportunity in accordance with Section 189.014, *Florida Statutes*, or by contacting the District's Manager, c/o DPFG, 250 International Parkway, Suite 280, Lake Mary, Florida 32746, (321) 263-0132. Please note that changes to the District's capital improvement plans and financing plans may affect the information contained herein and all such information is subject to change at any time and without further notice.

IN WITNESS WHEREOF, the foregoing *Supplemental Disclosure of Public Finance (2021 Bonds)* has been executed to be effective as of the 26th day of February, 2021.

WITNESS

**AVALON GROVES COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Name: _____

By: _____
Name: James P. Harvey
Title: Chairperson

By: _____
Name: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 2021, by **James P. Harvey**, as Chairperson of **Avalon Groves Community Development District**, who appeared before me this day in person, and who is either personally known to me, or produced _____ as identification.

NOTARY PUBLIC, STATE OF FLORIDA

(NOTARY SEAL)

Name: _____
(Name of Notary Public, Printed, Stamped or
Typed as Commissioned)

EXHIBIT A: Legal Description of Boundaries of District
EXHIBIT B: Legal Description of 2021 Assessment Area

EXHIBIT A

EXHIBIT A

External Boundaries of the Avalon Groves Community Development District

AVALON GROVES LEGAL DESCRIPTION

A PORTION OF SECTIONS 13, 14, 23 AND 24, TOWNSHIP 24 SOUTH, RANGE 26 EAST, LAKE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE NORTHEAST CORNER OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4; THENCE ALONG THE NORTH LINE OF SAID SECTION 13 SOUTH 89°52'45" WEST, A DISTANCE OF 1,324.37 FEET; THENCE CONTINUE ALONG SAID NORTH SECTION LINE SOUTH 89°54'03" WEST, A DISTANCE OF 1,312.89 FEET TO THE NORTHWEST CORNER OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 13; THENCE DEPARTING SAID NORTH LINE RUN SOUTH 00°16'10" WEST ALONG THE WEST LINE OF THE NORTHEAST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 13, A DISTANCE OF 1,327.17 FEET TO THE SOUTHWEST CORNER OF SAID NORTHEAST 1/4 OF THE NORTHWEST 1/4; THENCE SOUTH 89°53'50" WEST ALONG THE NORTH LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4, A DISTANCE OF 1,313.39 FEET TO THE NORTHWEST CORNER OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 13; THENCE SOUTH 00°17'28" WEST ALONG THE WEST LINE OF SAID SECTION 13, A DISTANCE OF 1,327.26 FEET TO THE SOUTHWEST CORNER OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION 13; THENCE DEPARTING SAID WEST SECTION LINE, NORTH 89°53'37" EAST ALONG THE NORTH LINE OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF SAID SECTION 13, A DISTANCE OF 656.95 FEET; THENCE DEPARTING SAID NORTH LINE SOUTH 00°17'48" WEST, A DISTANCE OF 1,326.10 FEET TO THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF SAID SECTION 13; THENCE SOUTH 89°54'57" WEST ALONG SAID NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4, A DISTANCE OF 657.32 FEET TO THE NORTHWEST CORNER OF SAID SOUTH 1/2 OF THE SOUTHWEST 1/4; THENCE SOUTH 00°18'46" WEST ALONG THE WEST LINE OF SAID SECTION 13, A DISTANCE OF 331.46 FEET; THENCE DEPARTING SAID WEST SECTION LINE, SOUTH 89°54'36" WEST, A DISTANCE OF 662.10 FEET; THENCE SOUTH 56°20'32" WEST, A DISTANCE OF 1,199.50 FEET; THENCE SOUTH 00°27'18" WEST, A DISTANCE OF 331.63 FEET; THENCE SOUTH 44°59'28" EAST, A DISTANCE OF 467.77 FEET; THENCE NORTH 89°53'36" EAST, A DISTANCE OF 1,326.15 FEET TO A POINT ON THE WEST LINE OF THE AFOREMENTIONED SECTION 24; THENCE SOUTH 00°08'53" WEST ALONG SAID WEST LINE OF SECTION 24, A DISTANCE 2,320.13 FEET; TO THE NORTHWEST CORNER OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 24; THENCE CONTINUE ALONG SAID WEST LINE SOUTH 00°12'02" WEST, A DISTANCE OF 1,326.04 FEET TO THE SOUTHWEST CORNER OF THE NORTH 1/2 OF THE SOUTH 1/2 OF SAID SECTION 24; THENCE NORTH 89°58'40"

1 EAST ALONG THE SOUTH LINE OF THE NORTH 1/2 OF THE SOUTH 1/2 OF SAID
2 SECTION 24, A DISTANCE OF 3,588.07 FEET TO THE SE CORNER OF THE NORTH
3 1/2 OF THE SOUTH 1/2 OF SAID SECTION 24; THENCE NORTH 00°12'49" EAST
4 ALONG THE EAST LINE OF SAID SECTION 24, A DISTANCE OF 1324.98 FEET TO
5 THE NORTHEAST CORNER OF THE NORTH 1/2 OF THE SOUTH 1/2 OF SAID
6 SECTION 24; THENCE CONTINUE ALONG SAID EAST LINE NORTH 00°07'27"
7 EAST, A DISTANCE OF 2,655.60 FEET TO THE NORTH EAST CORNER OF SAID
8 SECTION 24, SAID POINT ALSO BEING THE SOUTHEAST CORNER OF
9 AFOREMENTIONED SECTION 13; THENCE NORTH 00°07'04" EAST ALONG THE
10 EAST LINE OF SAID SECTION 13, A DISTANCE OF 664.09 FEET TO THE
11 NORTHEAST CORNER OF THE SOUTH 1/4 OF THE SOUTHEAST 1/4 OF SAID
12 SECTION 13; THENCE SOUTH 89°56'13" WEST ALONG THE NORTH LINE OF THE
13 SOUTH 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 13, A DISTANCE OF
14 2,646.79 FEET TO THE NORTHWEST CORNER OF SAID SOUTH 1/4 OF THE
15 SOUTHEAST 1/4; THENCE NORTH 00°14'52" EAST ALONG THE WEST LINE OF
16 SAID SOUTHEAST 1/4 OF SECTION 13, A DISTANCE OF 1,326.86 FEET TO THE
17 SOUTHWEST CORNER OF THE NORTH 1/4 OF THE SOUTHEAST 1/4; THENCE
18 NORTH 89°54'29" EAST ALONG THE SOUTH LINE OF SAID NORTH 1/4 OF THE
19 SOUTHEAST 1/4, A DISTANCE OF 2,643.79 FEET TO A POINT ON THE EAST LINE
20 OF SAID SECTION 13; THENCE NORTH 00°07'04" EAST ALONG SAID EAST LINE, A
21 DISTANCE OF 664.09 FEET TO THE SOUTHEAST CORNER OF THE NORTHEAST
22 1/4 OF SAID SECTION 13, THENCE CONTINUE ALONG SAID EAST LINE NORTH
23 00°23'14" EAST, A DISTANCE OF 1,327.44 FEET TO THE NORTHEAST CORNER OF
24 THE SOUTH 1/2 OF THE NORTHEAST 1/4; THENCE SOUTH 89°53'11" WEST
25 ALONG THE NORTH LINE OF SAID SOUTH 1/2 OF THE NORTHEAST 1/4, A
26 DISTANCE OF 1,322.75 FEET TO THE SOUTHEAST CORNER OF THE
27 NORTHWEST 1/4 OF SAID NORTHEAST 1/4; THENCE NORTH 00°19'03" EAST
28 ALONG THE EAST LINE OF SAID NORTHWEST 1/4 OF THE NORTHEAST 1/4, A
29 DISTANCE OF 1,327.26 FEET TO THE POINT OF BEGINNING.

30
31
32 AND LESS AND EXCEPT THE FOLLOWING DESCRIBED PARCEL

33
34 A PARCEL OF LAND LYING IN SECTION 13, TOWNSHIP 24 SOUTH, RANGE 26
35 EAST OF LAKE COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS
36 FOLLOWS:

37
38 COMMENCE AT THE SOUTHWEST CORNER OF THE SOUTHWEST 1/4 OF
39 NORTHWEST 1/4 OF SAID SECTION 13; THENCE NORTH 89°53'37" EAST ALONG
40 THE NORTH LINE OF THE SOUTH 1/2 OF THE NORTHWEST 1/4 OF SAID SECTION
41 13, A DISTANCE OF 777.95 FEET; THENCE DEPARTING SAID SOUTH LINE RUN
42 SOUTH 00°17'48" WEST, A DISTANCE OF 110.85 FEET FOR POINT OF BEGINNING;
43 THENCE SOUTH 89°58'50" EAST, A DISTANCE OF 250.01 FEET; THENCE NORTH
44 65°06'51" EAST, A DISTANCE OF 95.33 FEET; THENCE SOUTH 78°01'53" EAST, A
45 DISTANCE OF 56.01 FEET; THENCE NORTH 89°18'54" EAST, A DISTANCE OF 77.65

1 FEET; THENCE SOUTH 87°09'49" EAST, A DISTANCE OF 100.82 FEET; THENCE
2 NORTH 46°37'36" EAST, A DISTANCE OF 114.82 FEET; THENCE NORTH 34°40'21"
3 EAST, A DISTANCE OF 91.81 FEET; THENCE NORTH 67°21'15" EAST, A DISTANCE
4 OF 60.77 FEET; THENCE SOUTH 81°13'17" EAST, A DISTANCE OF 50.28 FEET;
5 THENCE SOUTH 88°00'55" EAST, A DISTANCE OF 54.43 FEET; THENCE SOUTH
6 64°02'06" EAST, A DISTANCE OF 45.70 FEET; THENCE SOUTH 24°06'31" EAST, A
7 DISTANCE OF 35.19 FEET; THENCE SOUTH 06°59'09" WEST, A DISTANCE OF
8 65.52 FEET; THENCE SOUTH 49°33'12" EAST, A DISTANCE OF 87.21 FEET;
9 THENCE NORTH 41°14'49" EAST, A DISTANCE OF 85.95 FEET; THENCE NORTH
10 13°08'54" EAST, A DISTANCE OF 53.78 FEET; THENCE NORTH 05°29'09" WEST, A
11 DISTANCE OF 58.52 FEET; THENCE NORTH 43°44'02" EAST, A DISTANCE OF 75.29
12 FEET; THENCE NORTH 70°43'41" EAST, A DISTANCE OF 47.64 FEET; THENCE
13 SOUTH 48°10'15" EAST, A DISTANCE OF 45.62 FEET; THENCE SOUTH 09°01'01"
14 EAST, A DISTANCE OF 54.75 FEET; THENCE SOUTH 00°34'10" WEST, A DISTANCE
15 OF 37.88 FEET; THENCE SOUTH 04°40'19" EAST, A DISTANCE OF 58.91 FEET;
16 THENCE SOUTH 06°45'16" EAST, A DISTANCE OF 62.02 FEET; THENCE SOUTH
17 10°11'12" WEST, A DISTANCE OF 69.14 FEET; THENCE SOUTH 20°28'58" WEST, A
18 DISTANCE OF 44.59 FEET; THENCE SOUTH 23°16'19" WEST, A DISTANCE OF
19 64.98 FEET; THENCE SOUTH 28°37'17" WEST, A DISTANCE OF 107.79 FEET;
20 THENCE SOUTH 59°17'35" WEST, A DISTANCE OF 63.78 FEET; THENCE SOUTH
21 64°21'03" WEST, A DISTANCE OF 67.33 FEET; THENCE NORTH 88°02'19" WEST, A
22 DISTANCE OF 54.87 FEET; THENCE NORTH 85°21'17" WEST, A DISTANCE OF
23 35.91 FEET; THENCE NORTH 60°11'01" WEST, A DISTANCE OF 63.37 FEET;
24 THENCE NORTH 30°11'30" WEST, A DISTANCE OF 64.34 FEET; THENCE NORTH
25 59°53'02" WEST, A DISTANCE OF 42.08 FEET; THENCE NORTH 22°41'12" WEST, A
26 DISTANCE OF 55.08 FEET; THENCE SOUTH 70°31'53" WEST, A DISTANCE OF
27 85.77 FEET; THENCE SOUTH 00°05'55" EAST, A DISTANCE OF 60.02 FEET;
28 THENCE SOUTH 07°47'15" WEST, A DISTANCE OF 40.56 FEET; THENCE SOUTH
29 31°49'58" WEST, A DISTANCE OF 52.27 FEET; THENCE SOUTH 26°00'27" WEST, A
30 DISTANCE OF 52.65 FEET; THENCE SOUTH 05°03'54" EAST, A DISTANCE OF 58.32
31 FEET; THENCE SOUTH 00°20'40" EAST, A DISTANCE OF 57.90 FEET; THENCE
32 SOUTH 34°42'49" WEST, A DISTANCE OF 53.19 FEET; THENCE SOUTH 26°17'01"
33 WEST, A DISTANCE OF 64.58 FEET; THENCE SOUTH 31°22'56" WEST, A DISTANCE
34 OF 53.95 FEET; THENCE SOUTH 14°27'02" EAST, A DISTANCE OF 53.70 FEET;
35 THENCE SOUTH 13°30'14" EAST, A DISTANCE OF 33.14 FEET; THENCE SOUTH
36 45°17'48" WEST, A DISTANCE OF 186.44 FEET; THENCE NORTH 44°42'12" WEST, A
37 DISTANCE OF 316.25 FEET TO A POINT ON A CURVE CONCAVE
38 NORTHEASTERLY HAVING A RADIUS OF 644.00 FEET, A CENTRAL ANGLE OF
39 45°00'00" AND A CHORD DISTANCE 492.90 FEET WHICH BEARS NORTH 22°12'12"
40 WEST; THENCE RUN NORTHWESTERLY ALONG THE ARC OF SAID CURVE, A
41 DISTANCE OF 505.80 FEET TO A POINT ON SAID CURVE; THENCE DEPARTING
42 SAID CURVE RUN NORTH 00°17'48" EAST, A DISTANCE OF 158.94 FEET TO THE
43 POINT OF BEGINNING.

44
45 CONTAINING 42,308,303 SQUARE FEET OR 971.265 ACRES, MORE OR LESS.

EXHIBIT B

Legal Descriptions

DESCRIPTION: A parcel of land lying in Section 24, Township 24 South, Range 26 East, Lake County, Florida, and being more particularly described as follows:

BEGIN at the Southwest corner of the Northwest 1/4 of said Section 24; thence along the West boundary of the said Northwest 1/4, N.00°08'57"E., a distance of 746.79 feet to the Southwest corner of SERENOA VILLAGE 1 PHASE 1B-1 according the plat thereof as recorded in Plat Book 71, Page 12 of the Public Records of Lake County, Florida; thence along the South boundary of said SERENOA VILLAGE 1 PHASE 1B-1 the following three (3) courses: 1) S.89°51'14"E., a distance of 1346.15 feet; 2) N.00°00'00"E., a distance of 614.90 feet; 3) N.61°29'31"E., a distance of 1297.85 feet to a point on the Westerly Right of Way line of Sawgrass Bay Boulevard; thence along said Westerly Right of Way line the following eight (8) courses: 1) S.28°30'29"E., a distance of 173.39 feet; 2) Southeasterly, 290.78 feet along the arc of a tangent curve to the left having a radius of 1106.00 feet and a central angle of 15°03'49" (chord bearing S.36°02'23"E., 289.94 feet); 3) S.43°34'17"E., a distance of 415.79 feet; 4) Southeasterly, 253.55 feet along the arc of a tangent curve to the right having a radius of 1000.00 feet and a central angle of 14°31'37" (chord bearing S.36°18'29"E., 252.87 feet); 5) Southeasterly, 942.54 feet along the arc of a reverse curve to the left having a radius of 856.00 feet and a central angle of 63°05'18" (chord bearing S.60°35'19"E., 895.64 feet); 6) Easterly, 424.50 feet along the arc of a reverse curve to the right having a radius of 750.00 feet and a central angle of 32°25'45" (chord bearing S.75°55'05"E., 418.85 feet); 7) S.59°42'12"E., a distance of 885.38 feet; 8) Southeasterly, 191.92 feet along the arc of a tangent curve to the right having a radius of 729.50 feet and a central angle of 15°04'24" (chord bearing S.52°10'00"E., 191.36 feet) to a point on the East boundary of the Southeast 1/4 of the aforesaid Section 24; thence along said East boundary, S.00°02'26"W., a distance of 1304.37 feet to the Southeast corner of the Northeast 1/4 of the Southeast 1/4 of said Section 24; thence along the South boundary of the North 1/2 of the Southeast 1/4 of said Section 24, S.89°58'53"W., a distance of 2643.90 feet to the Southeast corner of the Northeast 1/4 of the Southwest 1/4 of said Section 24; thence along the South boundary of the North 1/2 of the Southwest 1/4 of said Section 24, S.89°59'12"W., a distance of 2640.02 feet to the Southwest corner of the Northwest 1/4 of the Southwest 1/4 of said Section 24; thence along the West boundary of the Northwest 1/4 of the Southwest 1/4 of said Section 24, N.00°11'49"E., a distance of 1325.77 feet to the POINT OF BEGINNING.

Containing 276.516 acres, more or less.

EXHIBIT 11

This instrument was prepared by:

HOPPING GREEN & SAMS P.A.
119 South Monroe Street, Suite 300
Tallahassee, Florida 32301

**SUPPLEMENTAL¹ NOTICE OF SPECIAL ASSESSMENTS / GOVERNMENTAL LIEN OF RECORD
(AA3 2021 BONDS)**

PLEASE TAKE NOTICE that, in connection with the District's issuance of its \$6,075,000 Special Assessment Bonds, Series 2021 (Assessment Area Three Bonds) ("**2021 Bonds**"), the Board of Supervisors of the Avalon Groves Community Development District ("**District**") in accordance with Chapters 170, 190, and 197, *Florida Statutes*, has adopted Resolution No. 2021-07, supplementing Resolution No. 2017-10 (together, "**Assessment Resolutions**"). The Assessment Resolutions levy and impose one or more non-ad valorem, debt service special assessment lien(s) ("**2021 Assessments**") on the property referred to as the "**2021 Assessment Area**," as described in **Exhibit A** (which is within the larger "**Assessment Area Three**"). The 2021 Assessments are intended to secure the District's repayment of debt service on the 2021 Bonds. Such 2021 Bonds are intended to finance all or a portion of the District's "**2021 Project**," which is described in the *Engineer's Supplemental Report – 2021 Bond Issuance*, dated February 1, 2021 ("**2021 Engineer's Report**"). The 2021 Assessments are further described in the *Third Supplemental Special Assessment Methodology Report*, dated February 10, 2021 ("**2021 Assessment Report**"). A copy of the 2021 Engineer's Report, 2021 Assessment Report and the Assessment Resolutions may be obtained from the registered agent of the District as designated to the Florida Department of Economic Opportunity in accordance with Section 189.014, *Florida Statutes*, or by contacting the District's Manager, c/o DPGF, 250 International Parkway, Suite 280, Lake Mary, Florida 32746.

The 2021 Assessments were legally and validly determined and levied in accordance with all applicable requirements of Florida law, and constitute and will at all relevant times in the future constitute, legal, valid, and binding first liens on the land against which assessed until paid, coequal with the lien of all state, county, district, and municipal taxes, and superior in dignity to all other liens, titles, and claims. Please note that, as part of the 2021 Assessments, the Assessment Resolutions require that certain "True-Up Payments" be made in certain circumstances, and landowners should familiarize themselves with those requirements, as they constitute a requirement under the liens.

The District is a special purpose form of local government established pursuant to and governed by Chapter 190, *Florida Statutes*. This notice shall remain effective even if the District undergoes merger, boundary amendment, or name change. Further, this notice shall constitute a lien of record under Florida law, including but not limited to Chapter 197, *Florida Statutes*, and Sections 197.552 and 197.573, *Florida Statutes*, among others.

Pursuant to Section 190.048, *Florida Statutes*, you are hereby notified that: **THE AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT MAY IMPOSE AND LEVY TAXES OR**

¹ This notice supplements that prior *Notice of Special Assessments / Governmental Lien of Record (Assessment Area 3)*, recorded at Instrument No. 2018142371, Official Records Book 5209, Pages 334 et seq. in the Public Records of Lake County, Florida.

ASSESSMENTS, OR BOTH TAXES AND ASSESSMENTS, ON THE 2021 ASSESSMENT AREA. THESE TAXES AND ASSESSMENTS PAY THE CONSTRUCTION, OPERATION, AND MAINTENANCE COSTS OF CERTAIN PUBLIC FACILITIES AND SERVICES OF THE DISTRICT AND ARE SET ANNUALLY BY THE GOVERNING BOARD OF THE DISTRICT. THESE TAXES AND ASSESSMENTS ARE IN ADDITION TO COUNTY AND OTHER LOCAL GOVERNMENTAL TAXES AND ASSESSMENTS AND ALL OTHER TAXES AND ASSESSMENTS PROVIDED FOR BY LAW.

[THIS SPACE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, this Notice has been executed to be effective as of the 26th day of February, 2021, and recorded in the Public Records of Lake County, Florida.

WITNESS

**AVALON GROVES COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Name: _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 20__, by _____, as _____ of AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT, who appeared before me this day in person, and who is either personally known to me, or produced _____ as identification.

NOTARY PUBLIC, STATE OF _____

(NOTARY SEAL)

Name: _____
(Name of Notary Public, Printed, Stamped or Typed as
Commissioned)

EXHIBIT A

Legal Descriptions

DESCRIPTION: A parcel of land lying in Section 24, Township 24 South, Range 26 East, Lake County, Florida, and being more particularly described as follows:

BEGIN at the Southwest corner of the Northwest 1/4 of said Section 24; thence along the West boundary of the said Northwest 1/4, N.00°08'57"E., a distance of 746.79 feet to the Southwest corner of SERENOA VILLAGE 1 PHASE 1B-1 according the plat thereof as recorded in Plat Book 71, Page 12 of the Public Records of Lake County, Florida; thence along the South boundary of said SERENOA VILLAGE 1 PHASE 1B-1 the following three (3) courses: 1) S.89°51'14"E., a distance of 1346.15 feet; 2) N.00°00'00"E., a distance of 614.90 feet; 3) N.61°29'31"E., a distance of 1297.85 feet to a point on the Westerly Right of Way line of Sawgrass Bay Boulevard; thence along said Westerly Right of Way line the following eight (8) courses: 1) S.28°30'29"E., a distance of 173.39 feet; 2) Southeasterly, 290.78 feet along the arc of a tangent curve to the left having a radius of 1106.00 feet and a central angle of 15°03'49" (chord bearing S.36°02'23"E., 289.94 feet); 3) S.43°34'17"E., a distance of 415.79 feet; 4) Southeasterly, 253.55 feet along the arc of a tangent curve to the right having a radius of 1000.00 feet and a central angle of 14°31'37" (chord bearing S.36°18'29"E., 252.87 feet); 5) Southeasterly, 942.54 feet along the arc of a reverse curve to the left having a radius of 856.00 feet and a central angle of 63°05'18" (chord bearing S.60°35'19"E., 895.64 feet); 6) Easterly, 424.50 feet along the arc of a reverse curve to the right having a radius of 750.00 feet and a central angle of 32°25'45" (chord bearing S.75°55'05"E., 418.85 feet); 7) S.59°42'12"E., a distance of 885.38 feet; 8) Southeasterly, 191.92 feet along the arc of a tangent curve to the right having a radius of 729.50 feet and a central angle of 15°04'24" (chord bearing S.52°10'00"E., 191.36 feet) to a point on the East boundary of the Southeast 1/4 of the aforesaid Section 24; thence along said East boundary, S.00°02'26"W., a distance of 1304.37 feet to the Southeast corner of the Northeast 1/4 of the Southeast 1/4 of said Section 24; thence along the South boundary of the North 1/2 of the Southeast 1/4 of said Section 24, S.89°58'53"W., a distance of 2643.90 feet to the Southeast corner of the Northeast 1/4 of the Southwest 1/4 of said Section 24; thence along the South boundary of the North 1/2 of the Southwest 1/4 of said Section 24, S.89°59'12"W., a distance of 2640.02 feet to the Southwest corner of the Northwest 1/4 of the Southwest 1/4 of said Section 24; thence along the West boundary of the Northwest 1/4 of the Southwest 1/4 of said Section 24, N.00°11'49"E., a distance of 1325.77 feet to the POINT OF BEGINNING.

Containing 276.516 acres, more or less.

EXHIBIT 12

**ACQUISITION AGREEMENT
(AA3 2021 BONDS)**

THIS ACQUISITION AGREEMENT (AA3 2021 BONDS) (“**Agreement**”) is made and entered into, by and between:

AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, and located in Lake County, Florida whose mailing address is c/o DPGF, 250 International Parkway, Suite 280, Lake Mary, Florida 32746 (“**District**”); and

PULTE HOME COMPANY, LLC, a Michigan limited liability company and a landowner in the District, with a mailing address of 4901 Vineland Road, Suite 460, Orlando, FL 32811 (together with its permitted successors and assigns, “**Developer**”).

RECITALS

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

WHEREAS, the Act authorizes the District to issue bonds for the purpose, among others, of planning, financing, constructing, operating and/or maintaining certain infrastructure, roadways, stormwater management, utilities (water & sewer), offsite improvements, landscaping/lighting, and other infrastructure within or without the boundaries of the District; and

WHEREAS, the Developer is the primary owner of certain lands in unincorporated Lake County, Florida (“**County**”), located within the boundaries of the District – specifically the “**2021 Assessment Area**,” which is the first portion of “Assessment Area Three” to be developed; and

WHEREAS, the District presently intends to finance the planning, design, acquisition, construction, and installation of certain infrastructure improvements, facilities, and services known as the “2021 Project” (herein, the “**Project**”) and as detailed in the *Engineer’s Supplemental Report – 2021 Bond Issuance*, dated February 1, 2021 (“**Engineer’s Report**”), attached to this Agreement as **Exhibit A**; and

WHEREAS, the District intends to finance all or a portion of the Project through the use of proceeds from its \$6,075,000 Special Assessment Bonds, Series 2021 (Assessment Area Three Project) (“**Bonds**”); and

WHEREAS, the District has not had sufficient monies on hand to allow the District to contract directly for: (i) the preparation of the surveys, testing, reports, drawings, plans, permits, specifications, and related documents necessary to complete the Project (“**Work Product**”); or (ii) construction and/or installation of the improvements comprising the Project (“**Improvements**”); and

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

WHEREAS, in order to avoid a delay in the commencement of the development of the Work Product and/or the Improvements, the Developer has advanced, funded, commenced, and completed and/or will complete certain of the Work Product and/or Improvements; and

WHEREAS, the Developer and the District are entering into this Agreement to set forth the process by which the District may acquire the Work Product, the Improvements, and any related real property interests ("**Real Property**") and in order to ensure the timely provision of the infrastructure and development.

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

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

2. ADVANCED FUNDING. Prior to the issuance of the Bonds, the Developer may elect to make available to the District such monies as are necessary to enable the District to proceed with, and expedite, the design, engineering, and construction of the Project. If the Developer so elects, the Developer will make such funds available on a monthly basis, within thirty (30) days of a written request by the District. The funds ("**Advanced Funds**") shall be placed in the District's depository as determined by the District, and shall be repaid to the Developer solely from available proceeds of the Bonds, subject to the terms of this Agreement. The District shall individually account for costs incurred and Advanced Funds expended in connection with the Project.

3. WORK PRODUCT AND IMPROVEMENTS. The parties agree to cooperate and use good faith and best efforts to undertake and complete the acquisition process contemplated by this Agreement on such date or dates as the parties may jointly agree upon (each, an "**Acquisition Date**"). Subject to any applicable legal requirements (e.g., but not limited to, those laws governing the use of proceeds from tax exempt bonds), and the requirements of this Agreement, the District agrees to acquire completed Work Product and Improvements that are part of the Project.

- a. ***Request for Conveyance and Supporting Documentation*** – When Work Product or Improvements are ready for conveyance by the Developer to the District, the Developer shall notify the District in writing, describing the nature of the Work Product and/or Improvement and estimated cost. Additionally, Developer agrees to provide, at or prior to the Acquisition Date, the following: (i) documentation of actual costs paid, (ii) instruments of conveyance such as bills of sale or such other instruments as may be requested by the District, and (iii) any other releases, warranties, indemnifications or documentation as may be reasonably requested by the District.
- b. ***Costs*** – Subject to any applicable legal requirements (e.g., but not limited to, those laws governing the use of proceeds from tax exempt bonds), the availability of proceeds from the Bonds, and the requirements of this Agreement, the District shall pay the lesser of (i) the actual cost of creation/construction of the Work Product or Improvements, and (ii) the fair market value of the Work Product or Improvements.

The Developer shall provide copies of any and all invoices, bills, receipts, or other evidence of costs incurred by the Developer for any Work Product and/or Improvements. The District Engineer shall review all evidence of cost and shall certify to the District's Board of Supervisors ("**Board**") whether the cost being paid is the lesser of (i) the actual cost of creation/construction of the Work Product or Improvements, and (ii) the fair market value of the Work Product or Improvements. 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 Trustee for the Bonds ("**Trustee**").

- c. **Conveyances on "As Is" Basis.** Unless otherwise agreed, all conveyances of Work Product and/or Improvements shall be on an "as is" basis. That said, the Developer agrees to assign, transfer and convey to the District any and all rights against any and all firms or entities which may have caused any latent or patent defects, including, but not limited to, any and all warranties and other forms of indemnification. Notwithstanding anything to the contrary herein, the Grantor retains the right and an irrevocable and perpetual license to sue, enforce, sue upon, make claim under and upon, and other exercise of all right and remedies of the District related to or arising from the Improvements and Work Product and any interests otherwise assigned, transferred or conveyed hereunder. The parties agree to cooperate in the exercise of such rights, and the Developer agrees to use best efforts not to exercise such rights in a manner which in the reasonable judgment of District: (1) would be detrimental to the interests of the District in the Improvements and/or Work Product in any material respect and (2) such detrimental effect(s) cannot be reasonably avoided, remedied, or mitigated by District. To the extent Developer is hindered by any such determination of District made under, and limited to, this Section 3 from exercising any rights or remedies with respect to the Improvements and/or Work Product due to assignments, transfers and conveyance, District hereby waives and releases the Developer from all claims of any nature arising out of or relating to the Improvements and Work Product.
- d. **Right to Rely on Work Product and Releases** – The Developer agrees to release to the District all right, title, and interest which the Developer may have in and to any Work Product conveyed hereunder, as well as all common law, statutory, and other reserved rights, including all warranties and 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 reasonably 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. 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.

- e. ***Transfers to Third Party Governments; Payment for Transferred Property*** – If any item acquired is to be conveyed to a third-party governmental body, then the Developer agrees to cooperate and provide such certifications, documents, bonds, warranties, and/or forms of security as may be required by that governmental body, if any. Further, the District and the Developer agree that it can be difficult to timely effect the turnover of infrastructure from the Developer to the District and then to a third-party governmental entity, and, accordingly, the District and the Developer recognize and agree that the parties shall make reasonable efforts to transfer such Work Product and/or Improvements to the District pursuant to the terms of this Agreement. Regardless, and subject to the terms of this Agreement, the District has the obligation to acquire all such Work Product and/or Improvements described in the Engineer's Report that is intended to be turned over to a third party governmental entity, and, in the event that the Developer transfers any such Work Product and/or Improvements to a third party governmental entity prior to the District's acquisition of the Work Product and/or Improvements, the District shall be obligated to pay for such Work Product and/or Improvements, subject to the terms of this Agreement, and subject to ensuring that such acquisition and payment would not affect the tax-exempt status of the District's Bonds.
- f. ***Permits*** – 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 Agreement.
- g. ***Engineer's Certification*** – The District shall accept any completed Work Product and/or Improvements where the District Engineer (or other consulting engineer reasonably acceptable to the District), in his/her professional opinion, is able to certify that, in addition to any other requirements of law: (i) the Work Product and/or Improvements are part of the Project; (ii) the price for such Work Product and/or Improvements did not exceed the lesser of the cost of the Work Product and/or Improvements or the fair market value of the Work Product and/or Improvements; (iii) as to Work Product, the Work Product is capable of being used for the purposes intended by the District, and, as to any Improvements, the Improvements were installed in accordance with their specifications, and are capable of performing the functions for which they were intended; and (iv) as to any Improvements, all known plans, permits and specifications necessary for the operation and maintenance of the Improvements are complete and on file with the District, and have been transferred, or are capable of being transferred, to the District for operations and maintenance responsibilities.

4. CONVEYANCE OF REAL PROPERTY. The Developer agrees that it will convey to the District at or prior to the applicable Acquisition Date as determined solely by the District, by a special warranty deed or other instrument acceptable to the Board together with a metes and bounds or other description, the Real Property upon which any Improvements are constructed or which are necessary for the operation and maintenance of, and access to, the Improvements.

- a. ***Cost.*** The parties agree that all Real Property shall be provided to the District at no cost, unless (i) the costs for the Real Property are expressly included as part of the Project, as described in the Engineer's Report, and (ii) the purchase price for the

Real Property is the lesser of the appraised value of the Real Property, based on an appraisal obtained by the District for this purpose, or the cost basis of the Real Property to the Developer. The parties agree that the purchase price shall not include amounts attributable to the value of improvements on the Real Property and other improvements serving the Real Property that have been, or will be, funded by the District.

- b. ***Fee Title and Other Interests*** – The District may determine in its reasonable discretion that fee title for Real Property 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.
- c. ***Developer Reservation*** – Any conveyance of Real Property hereunder by 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.
- d. ***Fees, Taxes, Title Insurance*** – The Developer shall pay the cost for recording fees and documentary stamps required, if any, for the conveyance of any Real Property upon which the Improvements are constructed. 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 or other evidence of title in a form satisfactory to the District.
- e. ***Boundary 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. TAXES, ASSESSMENTS, AND COSTS.

- a. ***Taxes and Assessments on Property Being Acquired.*** The District is an exempt governmental unit acquiring property pursuant to this Agreement for use exclusively for public purposes. Accordingly, in accordance with Florida law, the Developer agrees to place in escrow with the County tax collector an amount equal to the current ad valorem taxes and non-ad valorem assessments (with the exception of those ad valorem taxes and non-ad valorem assessments levied by the District) prorated to the date of transfer of title, based upon the expected

assessment and millage rates giving effect to the greatest discount available for early payment.

- i. If and only to the extent the property acquired by the District is subject to ad valorem taxes or non-ad valorem assessments, the Developer agrees to reimburse the District for payment, or pay on its behalf, any and all ad valorem taxes and non-ad valorem assessments imposed during the calendar year in which each parcel of property is conveyed.
 - ii. Nothing in this Agreement shall prevent the District from asserting any rights to challenge any taxes or assessments imposed, if any, on any property of the District.
- b. **Notice.** The parties agree to provide notice to the other within thirty (30) calendar days of receipt of any notice of potential or actual taxes, assessments, or costs, as a result of any transaction pursuant to this Agreement, or notice of any other taxes, assessments, or costs imposed on the property acquired by the District as described in subsection a. above. The Developer covenants to make any payments due hereunder in a timely manner in accord with Florida law. In the event that the Developer fails to make timely payment of any such taxes, assessments, or costs, the Developer acknowledges the District's right to make such payment. If the District makes such payment, the Developer agrees to reimburse the District within thirty (30) calendar days of receiving notice of such payment, and to include in such reimbursement any fees, costs, penalties, or other expenses which accrued to the District as a result of making such a payment, including interest at the maximum rate allowed by law from the date of the payment made by the District.
- c. **Tax liability not created.** Nothing herein is intended to create or shall create any new or additional tax liability on behalf of the Developer or the District. Furthermore, the parties reserve all respective rights to challenge, pay under protest, contest or litigate the imposition of any tax, assessment, or cost in good faith they believe is unlawfully or inequitably imposed and agree to cooperate in good faith in the challenge of any such imposition.

6. **ACQUISITIONS AND BOND PROCEEDS.** In the event that the District has bond proceeds available from the Bonds to pay for any portion of the Project acquired by the District, or any Advanced Funds, and subject to the terms of the applicable documents relating to the Bonds, then the District shall promptly make payment for any such acquired Work Product, Improvements or Real Property, or reimbursable Advanced Funds, pursuant to the terms of this Agreement; provided, however, that no such obligation shall exist where the Developer is in default on the payment of any debt service assessments due on any property owned by the Developer, or is in default under any agreements between the Developer and the District. Further, in the event the District's bond counsel determines that any such acquisitions or payments for Advanced Funds are not properly compensable for any reason, including, but not limited to federal tax restrictions imposed on tax-exempt financing, the District shall not be obligated to make payment for such acquisitions, or Advanced Funds. Interest shall not accrue on any amounts owed for any acquisitions, or Advanced Funds. In the event the District does not or cannot issue sufficient bonds within five (5) years from the date of this Agreement to pay for all acquisitions hereunder, and Advanced Funds, and, thus does not make payment to the Developer for

any unfunded acquisitions, or any unreimbursed Advanced Funds, then the parties agree that the District shall have no payment or reimbursement obligation whatsoever for those unfunded acquisitions, or unreimbursed Advanced Funds. The Developer acknowledges that the District may convey some or all of the Work Product and/or Improvements in the Engineer's Report to a general purpose unit of local government (e.g., the County) and consents to the District's conveyance of such Work Product and/or Improvements prior to any payment being made by the District.

7. CONTRIBUTIONS. [RESERVED.]

8. IMPACT FEE CREDITS. [RESERVED.]

9. DEFAULT. A default by either party under this Agreement shall entitle the other to all remedies available at law or in equity, which may include, but not be limited to, the right of damages and/or specific performance. Any default under an applicable trust indenture for the Bonds caused by the Developer and/or its affiliates shall be a default hereunder, and the District shall have no obligation to fund the CIP in the event of such a default. Notwithstanding the foregoing, neither the District nor the Developer shall be liable for any consequential, special, indirect or punitive damages due to a default hereunder. Prior to commencing any action for a default hereunder, the party seeking to commence such action shall first provide written notice to the defaulting party of the default and an opportunity to cure such default within 30 days.

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

11. AMENDMENTS. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both the District and the Developer.

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

13. NOTICES. All notices, requests, consents and other communications under this Agreement ("**Notices**") shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or overnight delivery service, to the parties, at the addresses first set forth above. Except as otherwise provided in this Agreement, any Notice shall be deemed received only upon actual delivery at the address set forth above. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the District and counsel for the Developer may deliver Notice on behalf of the District and the Developer, respectively. 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.

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

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

16. ASSIGNMENT. Neither the District nor the Developer may assign this Agreement or any monies to become due hereunder without the prior written approval of the other.

17. APPLICABLE LAW AND VENUE. This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Each party consents that the venue for any litigation arising out of or related to this Agreement shall be in Lake County, Florida.

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

19. 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.

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

21. 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.

22. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original; however, all such counterparts together shall constitute, but one and the same instrument. Signature and acknowledgment pages, if any, may

be detached from the counterparts and attached to a single copy of this document to physically form one document.

[THIS SPACE INTENTIONALLY LEFT BLANK]

WHEREFORE, the parties below execute the *Acquisition Agreement (AA3 2021 Bonds)* to be effective as of the 26th day of February, 2021.

**AVALON GROVES COMMUNITY DEVELOPMENT
DISTRICT**

By: _____
Its: _____

PULTE HOME COMPANY, LLC

By: _____
Its: _____

Exhibit A: *Engineer's Supplemental Report – 2021 Bond Issuance, dated February 1, 2021*

EXHIBIT A

AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT ENGINEER'S SUPPLEMENTAL REPORT - 2021 BOND ISSUANCE

Prepared for:

**Board of Supervisors
Avalon Groves Community Development District**

Prepared by:

**Heidt Design, LLC
5806-B Breckenridge Parkway
Tampa, Florida 33610
813-253-5311**

February 1, 2021

TABLE OF CONTENTS

	<i>Page #</i>
TRANSMITTAL LETTER	1
INTRODUCTION	4
INFRASTRUCTURE IMPROVEMENTS	5
OWNERSHIP AND MAINTENANCE	7
PERMIT STATUS	7
SUMMARY OF COSTS	7
ENGINEER’S OPINION	8
EXHIBITS	
A. Assessment Area Legal Description	
B. Vicinity Map	
C. Concept Plan	
D. Aerial Map	
TABLES	
1. Ownership & Maintenance	
2. Opinion of Probable Cost	
3. Permit Status	

INTRODUCTION

This *Engineer's Supplemental Report – 2021 Bond Issuance* further supplements that prior *Preliminary Engineer's Report*, dated October 11, 2016 (“**Master Supplemental Engineer's Report**”), which was previously supplemented by that *District Engineer's Supplemental Report*, dated February 23, 2017 (“**2017 Engineer's Report**”), and that *Engineer's Supplemental Report – 2019 Bond Issuance*, dated July 19, 2019 (“**2019 Engineer's Report**”). The purpose of this report is to describe the District’s “**Assessment Area Three Project**,” which will provide infrastructure for Assessment Area Three. Assessment Area Three, as that term is used herein,¹ consists of approximately 276.516 acres of land also known as “Village 3.” Assessment Area Three is shown by the red boundary in **Exhibit B**.

As described in the Master Report, the Avalon Groves Community Development District (“**CDD**” or “**District**”) will ultimately consist of three assessment areas geographically positioned as depicted in the Vicinity Map in **Exhibit B** of this report. Assessment Area One is approximately 303 acres located in the northernmost portion of the District property and is established as a residential active adult community with approximately 580 lots. Assessment Area Two contains approximately 334 acres and is located in the central portion of the District property. The two residential tracts (Villages 1 and 2) are separated by the Sawgrass Bay Boulevard Right-of-Way and contain 479 single family detached residential units. Assessment Area Three, as used herein, is approximately 276.516 acres in total land area and is located in the southern portion of the District property. The public infrastructure to be built for the Assessment Area Three Project was not financed with the Series 2017 or the 2019 Bonds.

The 2017 Engineer's Report included infrastructure within Assessment Areas One and Two that contained approximately 1,059 residential housing units and various parks and recreational facilities. Also included was the construction of the Sawgrass Bay Boulevard extension from the northwest project boundary through Assessment Areas One and Two, wetland mitigation creation, listed species habitat mitigation creation and relocation costs, stormwater management facilities and associated infrastructure grading, entry monumentation, common area landscaping and irrigation, dry utilities, and recreational facilities for the initial phases of development.

¹ Assessment Area Three was originally established under District Resolution 2017-10 and the Master Report to refer to the 335-acre parcel shown by the black boundary of Assessment Area Three in **Exhibit B** (refer to Master Report for additional detail). The District does not intend to change the original boundary of Assessment Area Three. Instead, for simplicity of description in the District's offering statement issued in connection with the 2021 Bonds (defined herein), the name, “Assessment Area Three,” will refer to the 276.516-acre parcel under development by Pulte Home Company, LLC and shown by the red boundary in **Exhibit B**. The balance of the 335-acre Assessment Area Three, as defined in the Master Report, is expected to be privately developed, and thus is not expected to be subject to District bonds or debt assessments. To explain further and as reported by the master project developer, the master project developer's contributions of infrastructure, which include the third segment of the Sawgrass Bay Boulevard Extension as well as the future “neighborhood” improvements within the remaining portion of Assessment Area Three, are expected to be sufficient to offset any need to impose debt assessments on the remaining portion of Assessment Area Three (although operations and maintenance expenses may be appropriate).

The 2019 Engineer's Report included infrastructure within Assessment Area One. The improvements include the acquisition of land for construction of the stormwater management facilities and wetland conservation areas, grading and construction associated with stormwater management systems and professional fees associated with the improvements within Serenoa Active Adult Phases 1 and 2, a sub-assessment area within Assessment Area One.

The purpose of this Supplemental Engineer's Report is to provide a description of the improvements and land acquisition that is to be financed by the District's proposed 2021 bond issue ("**2021 Bonds**"). Public infrastructure and land improvements to be funded with the 2021 Bonds include the acquisition of land for construction of stormwater management facilities and wetland conservation areas, grading and construction associated with the stormwater management system, entry landscaping/irrigation and professional fees associated with the improvements. The improvements are located within Assessment Area Three, a/k/a Village 3, as shown on the Exhibits at the end of this report. These improvements are a subset of the residential improvements described in the Master Report but have not yet been funded by the District.

The Assessment Area Three Project, as presently planned, would include the following units:

Product Type	# of Units
40'	133
50'	115
60'	48
	296

This Supplemental Engineer's Report reflects the District's present intentions. The implementation and completion of any land purchase and any improvements outlined in this Supplemental Engineer's Report requires final approval by the District's Board of Supervisors, including the acquisition of completed improvements, work product and real property. Cost estimates contained in this Supplemental Engineer's Report have been prepared based on the best available information. Actual costs will vary based upon final plans, design, planning, approvals from regulatory authorities, inflation, etc. Nevertheless, all costs contained herein may be reasonably expected to adequately fund the improvements described, and contingency costs as included are reasonable.

ASSESSMENT AREA THREE PROJECT

The District presently intends to undertake certain public infrastructure improvements to be financed with the 2021 Bonds within Assessment Area Three of the District. As mentioned in the Master Report, a portion of these improvements will be funded by the 2021 Bonds and a portion will be funded by the Developer. The construction and maintenance of the proposed improvements are necessary and will benefit the property within Assessment Area Three. A more specific description of each of these items follows and the related costs are provided in Table 2.

LAND ACQUISITION

The District intends to acquire wetland and upland areas that are necessary for the lands that are needed to meet regulatory requirements related to wetland systems, stormwater management systems, wetland setbacks, and other stormwater infrastructure improvements. It is anticipated that approx. 128.83 acres of wetlands/wetland setbacks and 36.22 acres of uplands/stormwater facilities located within Assessment Area Three will be conveyed to the District as part of the 2021 Bond financing and include the following tracts, as shown on the approved construction plans.

Drainage: 100, 110, 120, 130, 140, 150,
Floodplain: FP 100, FP 200, FP 300, FP 400, FP 500, FP 600, FP 700
Wetland Conservation/Setbacks: 2, 3, 12, 41

As directed by the District's bond counsel, the District will pay the lesser of the cost basis or appraised value with respect to any land acquisition.

MASTER ROADS AND STREETS

There are no master roadway improvements associated with the 2021 Bonds.

The adjacent Sawgrass Bay Boulevard Extension, from Assessment Area 2 and through Assessment Area 3, has been completed and accepted by Lake County. This construction of this portion of the roadway was developer funded and, for that reason, no costs for the Sawgrass Bay Boulevard Extension are included in the Assessment Area Three Project costs. Additionally, the Sawgrass Bay Boulevard Extension is not within the defined Assessment Area Three Project.

The local roadways within the Assessment Area Three Project are also developer funded and will remain privately owned and maintained. Therefore, the internal roadway infrastructure costs are not included in the Assessment Area Three Project costs.

MASTER WATER AND WASTEWATER

There are no master water or wastewater improvements associated with the 2021 Bonds. Similar to the Master Roads and Streets, the utilities in Sawgrass Bay Blvd Extension and within the Assessment Area Project are developer funded and privately owned and maintained.

SURFACE WATER MANAGEMENT

The District will provide the surface water management infrastructure for the Assessment Area Three Project in accordance with St. Johns River Water Management District (SJRWMD) and U.S. Army Corps of Engineers (ACOE) permit approvals. Material excavated from surface water management ponds and floodplain management ponds is anticipated to remain within the Assessment Area Three. Considering that there is no public infrastructure within the Assessment Area Three Project, the excavation material will be stockpiled adjacent to the ponds. Any grading

in connection with the preparation of pads for private home sites or on other private property will not be funded by the District. Any material excavated from ponds or mitigation areas constructed on lands owned by the District shall be used only for stormwater improvements serving the Assessment Area Three Project. Any excess material removed from the ponds, if applicable, will be disposed of by the Developer and at the Developer's cost. Components of the surface water management infrastructure related to the 2021 Bonds are described below:

Stormwater Management Ponds: 100, 110, 120, 130, 140, 150,

Floodplain Compensation Ponds: FP 100, FP 200, FP 300, FP 400, FP 500, FP 600, FP 700

Wetland Mitigation: None

Wetland Conservation/Setback Areas: Wetland 2, 3, 12, 41

The surface water management system serving the Assessment Area Three Project includes proper grading and fill for the construction of the curb and gutters within the neighborhood roadways, as well as the costs of the curb and gutter itself. These improvements will be maintained pursuant to a perpetual easement over the right-of-ways.

ENTRY FEATURES

The Assessment Area Three Project includes landscaping, irrigation and monument signs at the entrance of Village 3. These improvements will be located outside and not a functional part of the gated entrance. The improvements will be located in Tracts D-1 (Drainage and Wall) and D-2 (Drainage and Wall).

PARKS AND RECREATION FACILITIES

There are no Parks and Recreation improvements associated with the 2021 Bonds.

DRY UTILITIES FACILITIES

There are no Dry Utility improvements associated with the 2021 Bonds.

PROFESSIONAL FEES

Professional Fees include civil engineering costs for site design, permitting, inspection, and master planning, geotechnical costs for pre-design soil borings, underdrain analysis, and construction staking, all in regard to the improvements associated with the 2021 Bonds. Also included in this category are fees associated with environmental consultation and permitting.

The infrastructure, as outlined above, is necessary for the functional development of Assessment Area Three as required by the applicable independent unit of local government. The planning and design of the infrastructure is in accordance with current governmental regulatory requirements. The infrastructure will provide its intended function so long as the construction is in substantial compliance with the design and permits.

OWNERSHIP & MAINTENANCE

Ownership and maintenance of the improvements is generally anticipated as set forth in Table 1.

It is anticipated that, in addition to the annual non-ad valorem assessments to be levied and collected by the District to pay debt service on its bonds, the District will levy and collect an annual “Maintenance Assessment” to be determined, assessed, and levied by the District’s Board of Supervisors upon the assessable real property within Assessment Area Three for the purpose of defraying the cost and expenses of maintaining the improvements.

PERMIT STATUS

The required infrastructure improvements for the Assessment Area Three Project are contained in the following construction plans titled Serenoa Village 3 – Phase 1, 2 & 3, prepared by Heidt Design, LLC, and the landscape plans titled Serenoa Lakes AKA Serenoa Village 3 Hardscape Architecture, prepared by Bonnett Design Group, LLC.

The USACOE permits have been pursued where needed to offset federal wetland impacts. In addition, wildlife surveys were initially completed at the start of the project and have been updated with each phase of development.

The permit status of all permits issued to date or in process can be found in Table 3. Preliminary Plats, and Construction Plans have been approved by the St. John’s Water Management District, Lake County and the Florida Department of Environmental Protection for Village 3.

We are of the opinion that all permits not heretofore issued or in process and which are necessary to effect the improvements described herein will be obtained during the ordinary course of development.

SUMMARY OF COSTS

The estimated cost of the Assessment Area Three Project is as set forth in Table 2 at the end of this report.

ENGINEER'S OPINION

It is our professional opinion that the summary of costs listed in Table 2 is sufficient to complete the construction and acquisition of the items intended.

It is my professional opinion that these infrastructure improvements will benefit and add value to the assessable lands within the Assessment Area Three. Such assessable property within Assessment Area Three will receive a special benefit from the improvements in the Assessment Area Three Project, which benefit will be at least equal to the cost of such improvements. Infrastructure costs are for public improvements or community facilities as set forth in section 190.012(1) and (2) of the Florida Statutes.

The estimate of infrastructure construction costs is only an estimate and not a guaranteed maximum price. The estimated cost is based on unit prices currently being experienced for ongoing and similar items of work in Lake County and quantities as represented on construction plans. In no event will the District pay more than the actual cost or fair market value of the public improvements constituting the Assessment Area Three Project, whichever is the least.

All of the foregoing improvements are required by applicable development approvals. Note that there are no impact fee or similar credits available from the construction of any such improvements.

The labor market, future costs of equipment and materials, increased regulatory actions, and the actual construction process are all beyond control of the District. Due to this inherent opportunity for fluctuation of cost, the total final cost may be more or less than this estimate.

Assuming project construction continues in a timely manner, it is our opinion that the proposed improvements, if constructed and built in substantial accordance with the approved plans and specifications, can be completed and meets their intended functions. Where necessary, historical costs, and information from other professional or utility consultants and contractors have been used in preparation of this report. Consultants and contractors who have contributed in providing the cost data included in this report are from reputable entities in the Lake County area. It is therefore our opinion that the construction of the proposed project can be completed at the cost stated.



Timothy M. Plate, P.E.

Florida Registered Engineer No. 41153

Exhibit A

2021 Assessment Area Legal Description

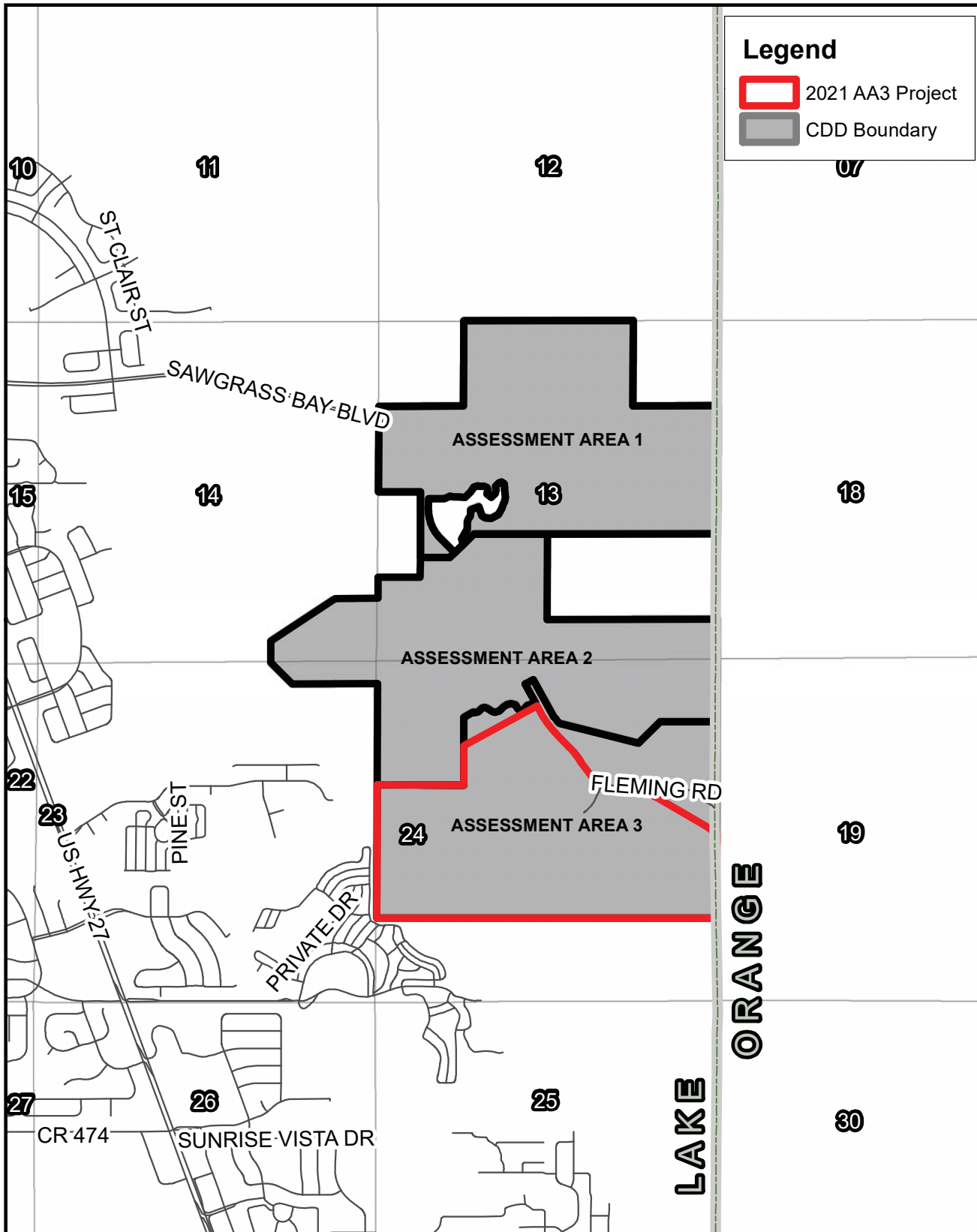
DESCRIPTION: A parcel of land lying in Section 24, Township 24 South, Range 26 East, Lake County, Florida, and being more particularly described as follows:

BEGIN at the Southwest corner of the Northwest 1/4 of said Section 24; thence along the West boundary of the said Northwest 1/4, N.00°08'57"E., a distance of 746.79 feet to the Southwest corner of SERENOA VILLAGE 1 PHASE 1B-1 according the plat thereof as recorded in Plat Book 71, Page 12 of the Public Records of Lake County, Florida; thence along the South boundary of said SERENOA VILLAGE 1 PHASE 1B-1 the following three (3) courses: 1) S.89°51'14"E., a distance of 1346.15 feet; 2) N.00°00'00"E., a distance of 614.90 feet; 3) N.61°29'31"E., a distance of 1297.85 feet to a point on the Westerly Right of Way line of Sawgrass Bay Boulevard; thence along said Westerly Right of Way line the following eight (8) courses: 1) S.28°30'29"E., a distance of 173.39 feet; 2) Southeasterly, 290.78 feet along the arc of a tangent curve to the left having a radius of 1106.00 feet and a central angle of 15°03'49" (chord bearing S.36°02'23"E., 289.94 feet); 3) S.43°34'17"E., a distance of 415.79 feet; 4) Southeasterly, 253.55 feet along the arc of a tangent curve to the right having a radius of 1000.00 feet and a central angle of 14°31'37" (chord bearing S.36°18'29"E., 252.87 feet); 5) Southeasterly, 942.54 feet along the arc of a reverse curve to the left having a radius of 856.00 feet and a central angle of 63°05'18" (chord bearing S.60°35'19"E., 895.64 feet); 6) Easterly, 424.50 feet along the arc of a reverse curve to the right having a radius of 750.00 feet and a central angle of 32°25'45" (chord bearing S.75°55'05"E., 418.85 feet); 7) S.59°42'12"E., a distance of 885.38 feet; 8) Southeasterly, 191.92 feet along the arc of a tangent curve to the right having a radius of 729.50 feet and a central angle of 15°04'24" (chord bearing S.52°10'00"E., 191.36 feet) to a point on the East boundary of the Southeast 1/4 of the aforesaid Section 24; thence along said East boundary, S.00°02'26"W., a distance of 1304.37 feet to the Southeast corner of the Northeast 1/4 of the Southeast 1/4 of said Section 24; thence along the South boundary of the North 1/2 of the Southeast 1/4 of said Section 24, S.89°58'53"W., a distance of 2643.90 feet to the Southeast corner of the Northeast 1/4 of the Southwest 1/4 of said Section 24; thence along the South boundary of the North 1/2 of the Southwest 1/4 of said Section 24, S.89°59'12"W., a distance of 2640.02 feet to the Southwest corner of the Northwest 1/4 of the Southwest 1/4 of said Section 24; thence along the West boundary of the Northwest 1/4 of the Southwest 1/4 of said Section 24, N.00°11'49"E., a distance of 1325.77 feet to the POINT OF BEGINNING.

Containing 276.516 acres, more or less.

Exhibit B

Vicinity Map



Legend

- 2021 AA3 Project
- CDD Boundary

Avalon Groves Community Development District
Vicinity Map
Lake County

0 1,000 2,000 Feet
Source: Heidt Design, Lake County, FGDL
Data was acquired from various sources including but not limited to state, county, and local governments. Heidt Design does not warrant data provided by other sources for accuracy or for any particular use that may require accurate information. This map is for informational purposes only and should not be substituted for a true title search, property appraisal, or survey.

HEIDT
DESIGN
(813) 253-5311

Exhibit C

Concept Plan

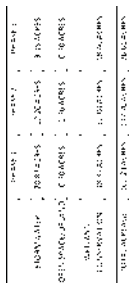


Exhibit - Area Calc's

VK AVALON GROVES, LLC
Lake County

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Exhibit D

Aerial Map

Legend

-  2021 AA3 Project
-  CDD Boundary

WVGRASS BAY BLVD

ASSESSMENT AREA 1

ASSESSMENT AREA 2

CITRUS PARKWAY

FLEMING RD

PRIVATE DR

ASSESSMENT AREA 3

Sources: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS,
USDA, USGS, AeroGRID, IGN, and the GIS User Community

Avalon Groves Community Development District

Aerial

Lake County

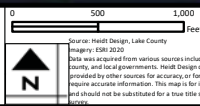


Table 1

Ownership & Maintenance

Table 1. OWNERSHIP AND MAINTENANCE

Ownership and maintenance of the improvements* is anticipated as set forth below:

<u>IMPROVEMENT</u>	<u>OWNERSHIP/MAINTENANCE</u>
Stormwater Management System	Community Development District (with Drainage Easements to Lake County)
Roadway Systems (Local Roads)	HOA (Private Roads) (CDD will have easement for maintaining curb and gutter)
Master Sewer Facilities	Utilities, Inc. (Private)
Master Water Facilities	Utilities, Inc. (Private)
Master Reuse Water System	Utilities, Inc. (Private)
Master Dry Utilities	Utility Companies (with Utility Easements)
Landscaping, Irrigation and Monument Signs	Community Development District (Outside Gates) HOA (Gates and Inside Gates)

*Only improvements that will be owned and maintained by the District or Lake County will be financed by the District.

Table 2

Opinion of Probable Cost

Table 2

<u>Item</u>	<u>Village 3 within Assessment Area Three</u>
	296 Lots
Master Infrastructure	
Land Acquisition (1)	\$3,617,331
Clearing / Earthwork (2)	\$737,154
Master Stormwater Management	\$1,058,221
Master Collector and Local Roads	\$0
Parks and Recreational Facilities / Amenities	\$0
Master Utilities (Water, Wastewater, Reuse)	\$0
Landscaping, Entry Features and Signs	\$181,944
Professional Fees (3)	\$316,371
Sub-total	\$5,911,021
Contingency	\$591,102
Project Total	\$6,502,124
Anticipated Buildout	2022
(1) Assumes \$79,556 per acre for uplands (storm water 36.22 acres) & \$5,700 per acre for Conservation (wetlands/wetland setbacks 128.83 acres). The District will pay the lesser of (i) the Developer's cost basis or (ii) appraised value, for land. The estimates provided herein are based on information from the Developer. The appraised value will be determined by an independent appraisal commissioned by the District.	
(2) Earthwork excludes the placement and grading on any developable lots	
(3) Professional fees associated with public infrastructure only	
(4) All Costs are in 2021 Dollars	

Table 3

Permit Status Update

PERMIT STATUS UPDATE

The permit status for the Avalon Groves development plans is as follows:

<u>PERMIT</u>	<u>STATUS</u>
1. Lake County – Active Adult Phases 1 & 2 Preliminary Plat	Approved
2. Lake County – Active Adult Phases 1 & 2 Construction Plans	Approved
3. Lake County – Active Adult Phases 1 & 2 Final Plat Plat Book 70, Pages 80 - 91	Approved
3. SJRWMD Environmental Resource Permit Active Adult Phase 1 & 2 – Permit #135777-7	Approved
4. SJRWMD Transfer of Ownership Active Adult Phase 1 & 2 – Permit #135777-10	Approved
5. Lake County – ROW Utilization Permit	Approved
6. FDEP Water Permit Phase 1 – Permit #0080594-059-DSGP	Approved
7. FDEP Wastewater Permit Phase 1 – Permit #0365689-001-DWG/CG	Approved
8. Lake County – Active Adult Model Homes and Sales Lots	Approved

EXHIBIT 13

This instrument was prepared by:

HOPPING GREEN & SAMS P.A.
119 South Monroe Street, Suite 300
Tallahassee, Florida 32301

**COLLATERAL ASSIGNMENT AGREEMENT
(AA3 2021 BONDS)**

THIS COLLATERAL ASSIGNMENT AGREEMENT (AA3 2021 BONDS) ("Agreement") is made and entered into, by and between:

Pulte Home Company, LLC, a Michigan limited liability company, the owner and primary developer of lands within the boundary of the District, whose mailing address is 3350 Peachtree Road Northeast, Suite 150, Atlanta, Georgia 30326 ("**Developer**"); and

Avalon Groves Community Development District, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, being situated in Lake County, Florida, and whose mailing address is c/o DPGF, 250 International Parkway, Suite 280, Lake Mary, Florida 32746 ("**District**").

RECITALS

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

WHEREAS, the Act authorizes the District to issue bonds for the purposes, among others, of planning, financing, constructing, operating and/or maintaining certain infrastructure, including roadways, stormwater management, utilities (water & sewer), offsite improvements, landscaping/lighting, and other infrastructure within or without the boundaries of the District; and

WHEREAS, the District proposes to issue \$6,075,000 Special Assessment Bonds, Series 2021 (Assessment Area Three Bonds), ("**2021 Bonds**") to finance certain public infrastructure ("**Project**"), as defined in that certain *Engineer's Supplemental Report – 2021 Bond Issuance*, dated February 1, 2021; and

WHEREAS, the security for the repayment of the 2021 Bonds is the special assessments ("**Assessments**") levied against benefitted lands within the District ("**Property**"), the legal description of which is attached hereto as **Exhibit A**; and

WHEREAS, the District is presently planned to include certain planned product types and units (as used herein with respect to the planned units and/or the undeveloped lands within the Property that may be developed into the planned units, "**Lots**") within the Property; and

WHEREAS, “Development Completion” will occur when the District’s Project is complete, all Lots have been developed, and all other infrastructure work necessary to support the Lots has been completed; and

WHEREAS, prior to 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 Assessments securing the Bonds; and

WHEREAS, in the event of default in the payment of the Assessments, the District has certain remedies – namely, if the Assessments are direct billed, the remedy available to the District would be an action in foreclosure, or if the Assessments are collected pursuant to Florida’s uniform method of collection, the remedy for non-payment of the Assessments is the sale of tax-certificates (collectively, “**Remedial Rights**”); and

WHEREAS, in the event the District exercises its Remedial Rights, the District will require the assignment of certain Development Rights (defined below) to complete development of the community; and

WHEREAS, the rights assigned to the District hereunder shall be exercised in a manner which will not materially affect the intended development of the Property.

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

1. COLLATERAL ASSIGNMENT.

Development Rights. The Developer hereby collaterally assigns to the District, to the extent assignable and to the extent that they are owned or controlled by the Developer at execution of this Agreement or subsequently acquired by the Developer, all of the Developer’s development rights relating to development of the Property and/or the Project (herein, collectively, “**Development Rights**”), as security for the Developer’s payment and performance and discharge of its obligation to pay the Assessments levied against the Property owned by the Developer from time to time. The Development Rights shall include the items listed in subsections (a) through (i) below as they pertain to development of the Property and/or the Project:

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

(b) Engineering and construction plans and specifications for grading, roadways, site drainage, stormwater drainage, signage, water distribution, wastewater collection, and other improvements.

(c) Preliminary and final site plans.

(d) Architectural plans and specifications for public buildings and other public improvements relating to the Property.

(e) Permits, approvals, resolutions, variances, licenses, and franchises granted by governmental authorities, or any of their respective agencies, for or affecting the development within the Property and construction of improvements thereon, or off-site to the extent such off-site improvements are necessary or required for Development Completion.

(f) Contracts with engineers, architects, land planners, landscape architects, consultants, contractors, and suppliers for or relating to the construction of the development within the Property or the construction of improvements thereon.

(g) All declarant's rights under any homeowner's association or other similar governing entity with respect to the Property.

(h) All impact fee credits.

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

Exclusions. Notwithstanding the foregoing, the Development Rights shall not include any rights which relate solely to: (i) Lots conveyed to homebuilders or end-users, (ii) any property which has been conveyed to Lake County, Florida, the District, any unaffiliated homebuilder, any utility provider, or any governmental or quasi-governmental entity as may be required by applicable permits, approvals, plats, entitlements or regulations affecting the District, if any (items (i) and (ii) referred to herein as "**Permitted Transfer**"), or (iii) lands outside the District or improvements not included in the Property or the Project.

Rights Inchoate. The assignment and assumption of rights under this Agreement shall be inchoate and shall only become an effective and absolute assignment and assumption of the Development Rights, upon failure of the Developer to pay the Assessments levied against the Property; provided, however, that such assignment shall only be effective and absolute to the extent that: (i) this Agreement has not been terminated earlier pursuant to the term of this Agreement, (ii) a Permitted Transfer has not already occurred with respect to the Development Rights, or (iii) a Lot is conveyed to a homebuilder or end-user resident, in which event such Lot shall be released automatically herefrom.

Rights Severable. To the extent that any Development Rights apply to the Property and additional lands, the Developer shall at the request of the District cooperate and take reasonable steps to separate such rights for the District's use.

2. **WARRANTIES BY DEVELOPER.** The Developer represents and warrants to the District that:

(a) Other than Permitted Transfers, the Developer has made no assignment of the Development Rights to any person other than District.

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

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

(d) Any transfer, conveyance or sale of the Property shall subject any and all affiliated entities or successors-in-interest of the Developer to the Agreement, except to the extent of a Permitted Transfer.

3. **COVENANTS.** The Developer covenants with District that during the Term (as defined herein):

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

(b) The Developer agrees not to take any action that would decrease the development entitlements to a level below the amount necessary to support the then outstanding Assessments; to take any action to modify, waive, release or terminate the Development Rights in a manner that would materially impair or impede Development Completion; or otherwise take any action that would materially impair or impede Development Completion.

4. **EVENTS OF DEFAULT.** Any breach of the Developer's warranties contained in Section 2 hereof or breach of covenants contained in Section 3 hereof shall, after the giving of written notice and an opportunity to cure (which cure period shall be not more than thirty (30) days), constitute an "**Event of Default**" under this Agreement. An Event of Default shall also include the transfer of title to Lots owned by Developer pursuant to a judgment of foreclosure entered by a court of competent jurisdiction in favor of District (or its designee) or a deed in lieu of foreclosure to District (or its designee), or the acquisition of title to such Lots through the sale of tax certificates.

5. **REMEDIES UPON DEFAULT.** Upon an Event of Default, the District may, as the District's sole and exclusive remedies, take any or all of the following actions, at the District's option:

(a) Perform any and all obligations of the Developer relating to the Development Rights and exercise any and all rights of the Developer therein as fully as the 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 or any portion thereof from the District or at a District foreclosure sale.

6. **AUTHORIZATION IN EVENT OF DEFAULT.** In the Event of Default, the Developer does hereby authorize and shall direct any party to any agreement relating to the Development Rights to tender performance thereunder to the District upon written notice and request from the District. Any such performance in favor of the District shall constitute a full release and discharge to the extent of such performance as fully as though made directly to the Developer.

7. **SECURITY AGREEMENT.** This Agreement shall be a security agreement between the Developer, as the debtor, and the District, as the secured party, covering the Development Rights that constitute personal property governed by the Florida Uniform Commercial Code ("**Code**"), and the Developer grants to the District a security interest in such Development Rights. In addition to the District's other rights hereunder, and upon an Event of Default, the District shall have the right to file

any and all financing statements that may be required by the District to establish and maintain the validity and priority of the District's security interest rights of a secured party under the Code.

8. **TERM; TERMINATION.** Absent this Agreement becoming effective and absolute, this Agreement shall automatically terminate upon the earliest to occur of the following: (i) payment of the Bonds in full; (ii) Development Completion; and (iii) upon occurrence of a Permitted Transfer, but only to the extent that such Development Rights are with respect to lands that are the subject of the Permitted Transfer (herein, the "**Term**").

9. **AMENDMENT.** This Agreement may be modified in writing only by the mutual agreement of all parties hereto, and only after satisfaction of the conditions set forth in Section 15.

10. **ASSIGNMENT.** This Agreement shall constitute a covenant running with title to the Property, binding upon the Developer and its successors and assigns as to the Property or portions thereof. Any transferee shall take title subject to the terms of this Agreement and with respect to the portion of the Property so transferred, provided however that this Agreement shall not apply to any portion of the Property that is the subject of a Permitted Transfer.

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

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

13. **NOTICES.** All notices, requests, consents and other communications under this Agreement ("**Notices**") shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or overnight delivery service, to the parties, at the addresses first set forth above. Except as otherwise provided in this Agreement, any Notice shall be deemed received only upon actual delivery at the address set forth above. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the District and counsel for the Developer may deliver Notice on behalf of the District and the Developer, respectively. 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.

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

15. **THIRD PARTY BENEFICIARIES.** Except as set forth in the following, this Agreement is solely for the benefit of the District and the Developer and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person other than the District and the Developer any right, remedy, or claim under or by reason of this Agreement or any of the provisions or conditions of this Agreement; and all of the provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the District and the Developer and their respective representatives, successors, and assigns.

Notwithstanding the foregoing, the Trustee, acting at the direction of the Majority Owners of the 2021 Bonds, shall have the right to directly enforce the provisions of this Agreement. The Trustee shall not be deemed to have assumed any obligations under this Agreement. This Agreement may not be assigned or materially amended, and the Project may not be materially amended, without the written consent of the Trustee, acting at the direction of the Majority Owners of the 2021 Bonds, which consent shall not be unreasonably withheld.

16. **APPLICABLE LAW AND VENUE.** This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Each party consents that the venue for any litigation arising out of or related to this Agreement shall be in Lake County, Florida.

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

18. **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.

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

20. **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.

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

WHEREFORE, the parties below execute the *Collateral Assignment Agreement (AA3 2021 Bonds)* to be effective as of the 26th day of February, 2021.

WITNESS

**AVALON GROVES
COMMUNITY DEVELOPMENT DISTRICT**

By: _____
Name: _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 20__, by _____, as _____ of **AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT**, who appeared before me this day in person, and who is either personally known to me, or produced _____ as identification.

NOTARY PUBLIC, STATE OF _____

(NOTARY SEAL)

Name: _____
(Name of Notary Public, Printed, Stamped or Typed as
Commissioned)

[SIGNATURE PAGE FOR COLLATERAL ASSIGNMENT AGREEMENT (AA3 2021 BONDS)]

To be effective as of the ____ day of _____, 2021.

WITNESS

PULTE HOME COMPANY, LLC

By: _____
Name: _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 20__, by _____, as _____ of PULTE HOME COMPANY, LLC, who appeared before me this day in person, and who is either personally known to me, or produced _____ as identification.

NOTARY PUBLIC, STATE OF _____

(NOTARY SEAL)

Name: _____
(Name of Notary Public, Printed, Stamped or Typed as
Commissioned)

EXHIBIT A: Legal Description for Property

EXHIBIT A

Legal Descriptions

DESCRIPTION: A parcel of land lying in Section 24, Township 24 South, Range 26 East, Lake County, Florida, and being more particularly described as follows:

BEGIN at the Southwest corner of the Northwest 1/4 of said Section 24; thence along the West boundary of the said Northwest 1/4, N.00°08'57"E., a distance of 746.79 feet to the Southwest corner of SERENOA VILLAGE 1 PHASE 1B-1 according the plat thereof as recorded in Plat Book 71, Page 12 of the Public Records of Lake County, Florida; thence along the South boundary of said SERENOA VILLAGE 1 PHASE 1B-1 the following three (3) courses: 1) S.89°51'14"E., a distance of 1346.15 feet; 2) N.00°00'00"E., a distance of 614.90 feet; 3) N.61°29'31"E., a distance of 1297.85 feet to a point on the Westerly Right of Way line of Sawgrass Bay Boulevard; thence along said Westerly Right of Way line the following eight (8) courses: 1) S.28°30'29"E., a distance of 173.39 feet; 2) Southeasterly, 290.78 feet along the arc of a tangent curve to the left having a radius of 1106.00 feet and a central angle of 15°03'49" (chord bearing S.36°02'23"E., 289.94 feet); 3) S.43°34'17"E., a distance of 415.79 feet; 4) Southeasterly, 253.55 feet along the arc of a tangent curve to the right having a radius of 1000.00 feet and a central angle of 14°31'37" (chord bearing S.36°18'29"E., 252.87 feet); 5) Southeasterly, 942.54 feet along the arc of a reverse curve to the left having a radius of 856.00 feet and a central angle of 63°05'18" (chord bearing S.60°35'19"E., 895.64 feet); 6) Easterly, 424.50 feet along the arc of a reverse curve to the right having a radius of 750.00 feet and a central angle of 32°25'45" (chord bearing S.75°55'05"E., 418.85 feet); 7) S.59°42'12"E., a distance of 885.38 feet; 8) Southeasterly, 191.92 feet along the arc of a tangent curve to the right having a radius of 729.50 feet and a central angle of 15°04'24" (chord bearing S.52°10'00"E., 191.36 feet) to a point on the East boundary of the Southeast 1/4 of the aforesaid Section 24; thence along said East boundary, S.00°02'26"W., a distance of 1304.37 feet to the Southeast corner of the Northeast 1/4 of the Southeast 1/4 of said Section 24; thence along the South boundary of the North 1/2 of the Southeast 1/4 of said Section 24, S.89°58'53"W., a distance of 2643.90 feet to the Southeast corner of the Northeast 1/4 of the Southwest 1/4 of said Section 24; thence along the South boundary of the North 1/2 of the Southwest 1/4 of said Section 24, S.89°59'12"W., a distance of 2640.02 feet to the Southwest corner of the Northwest 1/4 of the Southwest 1/4 of said Section 24; thence along the West boundary of the Northwest 1/4 of the Southwest 1/4 of said Section 24, N.00°11'49"E., a distance of 1325.77 feet to the POINT OF BEGINNING.

Containing 276.516 acres, more or less.

EXHIBIT 14

This instrument was prepared by and
upon recording should be returned to:

HOPPING GREEN & SAMS P.A.
119 South Monroe Street, Suite 300
Tallahassee, Florida 32301

(This space reserved for Clerk)

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED is made to be effective as of the ____ day of _____, 2021, by and between **PULTE HOME COMPANY, LLC**, a Michigan limited liability company ("**Grantor**"), whose address for purposes hereof is 4901 Vineland Road, Suite 460, Orlando, FL 32811, and **AVALON GROVES COMMUNITY DEVELOPMENT DISTRICT**, a community development district formed pursuant to Chapter 190, Florida Statutes ("**Grantee**"), whose address is c/o DPFG, 250 International Parkway, Suite 280, Lake Mary, Florida 32746.

(Wherever used herein, the terms "Grantor" and "Grantee" include all of the parties to this instrument, the heirs, legal representatives and assigns of individuals, and the successors and assigns of trustees, partnerships, limited liability companies, governmental entities, and corporations.)

WITNESS

THAT GRANTOR, for good and valuable consideration to it in hand paid by Grantee, the receipt and sufficiency whereof are hereby acknowledged, hereby grants, bargains and conveys to Grantee forever, all of the right, title, interest, claim and demand which the Grantor has in and to the lot, piece or parcel of land, situate, lying and being in the County of Lake, State of Florida, and more particularly described in **Exhibit A** attached hereto ("**Property**"); and

TOGETHER with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, and to have and to hold the same in fee simple forever. Such conveyance is subject to all matters of record; however, reference hereto shall not operate to re-impose the same.

The Grantor hereby covenants with said Grantee that the Grantor is lawfully seized of said land in fee simple and that the Grantor has good right and lawful authority to sell and convey said land. Further, the Grantor hereby warrants the title to said land and will defend the same against the lawful claims of all persons or entities whomsoever claiming by, through or under Grantor, but against none other. Additionally, the Grantor warrants that it has complied with the provisions of Section 196.295, Florida Statutes.

RESERVATION OF EASEMENT

Grantor hereby reserves unto itself and its successors and assigns, and, to the extent required, Grantee by acceptance hereby gives and grants unto Grantor and its successors and assigns, non-exclusive easements for ingress and egress over, upon and across the Property conveyed hereby, together with the rights to maintain, repair, plant, mow, cultivate, irrigate, improve and care for all landscaping and related aesthetic features, and the right to maintain, repair and replace and improve any improvements now or hereafter located on the Property including, but not limited to, sidewalks, trails and related features;

provided, however, that Grantor's reservation of rights hereunder shall not be deemed to impose any obligations on Grantor to maintain, repair or replace any part of the Property or improvements located thereon.

[CONTINUED ON FOLLOWING PAGE]

DRAFT

IN WITNESS WHEREOF, Grantor has caused these presents to be executed to be effective as of the day and year first above written.

WITNESSES

PULTE HOME COMPANY, LLC

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 20____, by _____, as _____ of PULTE HOME COMPANY, LLC, who appeared before me this day in person, and who is either personally known to me, or produced _____ as identification.

NOTARY PUBLIC, STATE OF _____

(NOTARY SEAL)

Name: _____
(Name of Notary Public, Printed, Stamped or
Typed as Commissioned)

EXHIBIT A
Legal Description

DRAFT

EXHIBIT 15

_____, 2021

Avalon Groves Community Development District
c/o Patricia Comings-Thibault, District Manager
DPFG
250 International Parkway, Suite 280
Lake Mary, Florida 32746

Re: Letter Agreement for Acquisition of Improvements & Work Product

Dear Patricia,

Pursuant to the *Acquisition Agreement (2021 Bonds)*, by and between the Avalon Groves Community Development District ("**District**") and Pulte Home Company, LLC ("**Developer**"), and dated _____ ("**Acquisition Agreement**"), you are hereby notified that the Developer has completed and wishes to sell ("**Sale**") to the District certain "**Improvements**" and "**Work Product**" as described in **Exhibit A** attached hereto. Subject to the terms of the Acquisition Agreement, the following additional terms govern the proposed Sale:

- As consideration for the Sale, and subject to the terms of the Acquisition Agreement, the District agrees to pay from bond proceeds the amount identified in **Exhibit A** attached hereto, which represents the actual cost of constructing and/or creating the Improvements and Work Product.
- The Developer agrees, at the direction of the District, to assist with the transfer of any permits or similar approvals necessary for the operation of the Improvements.
- Notwithstanding anything to the contrary herein, certain amounts may still be owed to contractors (balance to finish & retainage) and Developer agrees to timely make payment for all remaining amounts owed, and to ensure that no liens are placed on the Improvements and/or Work Product.

If the District is in agreement with the terms stated herein, please execute this letter agreement in the space below and proceed with the necessary steps to effect the Sale.

Agreed to by:

Sincerely,

**AVALON GROVES COMMUNITY
DEVELOPMENT DISTRICT**

PULTE HOME COMPANY, LLC

Name: _____
Title: _____

Name: _____
Title: _____

EXHIBIT A

Improvements – [DESCRIBE COMPLETED SITE WORK – STORMWATER, UTILITIES, CONDUIT, ETC.]

Work Product – CDD work product for the above-listed public improvements (for the 2021 Project described in the *Engineer's Supplemental Report – 2021 Bond Issuance*, dated January 28, 2021) created to date pursuant to that certain agreement with Heidt Design, LLC, dated _____.

Improvement	CDD Eligible Amount
Improvements completed through Pay Application # _____	\$ _____
Work Product	\$ _____
TOTAL	\$ _____

**CORPORATE DECLARATION AND AGREEMENT
[AVALON GROVES CDD]**

I, _____, as _____ of Pulte Home Company, LLC, a Michigan limited liability company ("**Developer**"), do hereby state as follows:

1. I have personal knowledge of the matters set forth in this Declaration.
2. My name is _____, and I am _____ of the Developer. I have authority to make this Declaration on behalf of Developer.
3. Developer is the developer of certain lands within the Avalon Groves Community Development District, a special purpose unit of local government established pursuant to Chapter 190, *Florida Statutes* ("**District**").
4. The District's *Engineer's Supplemental Report – 2021 Bond Issuance*, dated January 28, 2021 ("**Engineer's Report**") describes certain public infrastructure improvements and work product that the District intends to finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate, or maintain pursuant to Chapter 190, *Florida Statutes*.
5. Developer has expended funds to develop and/or acquire certain of the public infrastructure improvements and work product described in the Engineer's Report and more specifically described in **Exhibit A**. The attached **Exhibit A** accurately identifies certain of those improvements and work product that have been completed to date and states the amounts that Developer has spent on those improvements.
6. Developer acknowledges that the District intends to rely on this Declaration for purposes of acquiring the infrastructure improvements and work product identified in **Exhibit A**.

[CONTINUED ON NEXT PAGE]

Executed this _____ day of _____, 20__.

PULTE HOME COMPANY, LLC

Name: _____

Title: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization this _____ day of _____, 2021, by _____ as _____ of Pulte Home Company, LLC, a Michigan limited liability company, and with authority to execute the foregoing on behalf of the entit(ies) identified above, and who appeared before me this day in person, and who is either personally known to me, or produced _____ as identification.

NOTARY PUBLIC, STATE OF _____

(NOTARY SEAL)

Name: _____
(Name of Notary Public, Printed, Stamped or
Typed as Commissioned)

Exhibit A – Description of Improvements and Work Product

DISTRICT ENGINEER'S CERTIFICATE
[AVALON GROVES CDD – 2021 PROJECT]

_____, 20____

Board of Supervisors
Avalon Groves Community Development District

Re: Acquisition of Improvements and Work Product

Ladies and Gentlemen:

The undersigned is a representative of Heidt Design, LLC ("**District Engineer**"), as District Engineer for the Avalon Groves Community Development District ("**District**") and does hereby make the following certifications in connection with the District's acquisition from Pulte Home Company, LLC ("**Developer**") as to certain public infrastructure improvements ("**Improvements**") and work product ("**Work Product**") as further detailed in **Exhibit A**. The undersigned, an authorized representative of the District Engineer, hereby certifies that:

1. I have reviewed the Improvements and Work Product. I have further reviewed certain documentation relating to the same, including but not limited to certain invoices, plans, and other documents.
2. The Improvements and Work Product are within the scope of the District's capital improvement plan as set forth in the District's *Engineer's Supplemental Report – 2021 Bond Issuance*, dated January 28, 2021 ("**Engineer's Report**"), and specially benefit property within the District as further described in the Engineer's Report.
3. The Improvements were installed in accordance with their specifications, and, subject to the design specifications, are capable of performing the functions for which they were intended. I am not aware of any defects in the Improvements or the Work Product.
4. The total costs associated with the Improvements and Work Product are as set forth in **Exhibit A**. Such costs are equal to or less than each of the following: (i) what was actually paid by the Developer to create and/or acquire the Improvements and Work Product, and (ii) the reasonable fair market value of the Improvements and Work Product.
5. All known plans, permits and specifications necessary for the operation and maintenance of the Improvements are complete and on file with the District, and have been transferred, or are capable of being transferred, to the District for operations and maintenance responsibilities.
6. With this document, I hereby certify that it is appropriate at this time for the District to acquire the Improvements and Work Product.

[SIGNATURE PAGE FOR DISTRICT ENGINEER'S CERTIFICATE]

HEIDT DESIGN, LLC

Tim Plate, P.E.

Florida Registration No. _____

District Engineer

STATE OF _____

COUNTY OF _____

The foregoing instrument was sworn and subscribed before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 20____, by Tim Plate as _____ of Heidt Design, LLC, who appeared before me this day in person, and who is either personally known to me, or produced _____ as identification.

NOTARY PUBLIC, STATE OF _____

(NOTARY SEAL)

Name: _____
(Name of Notary Public, Printed, Stamped or
Typed as Commissioned)

CONTRACTOR ACKNOWLEDGMENT AND RELEASE
[AVALON GROVES CDD – 2021 PROJECT]

THIS ACKNOWLEDGMENT & RELEASE (“Release”) is made to be effective the ____ day of _____, 20____, by _____ (“**Contractor**”), in favor of the **Avalon Groves Community Development District (“District”)**, which is a local unit of special-purpose government situated in Lake County, Florida, and having offices at c/o DPGF, 250 International Parkway, Suite 280, Lake Mary, Florida 32746.

RECITALS

WHEREAS, pursuant to that certain _____ (“**Contract**”) dated _____ and between Contractor and Pulte Home Company, LLC, a Michigan limited liability company (“**Developer**”), Contractor has constructed for Developer certain infrastructure improvements, as described in **Exhibit A (“Improvements”)**; and

WHEREAS, Developer may in the future convey the Improvements to the District and for that purpose has requested Contractor to confirm the release of all restrictions on the District’s right to use and rely upon the Improvements; and

WHEREAS, Contractor has agreed to the release of any such restrictions.

NOW, THEREFORE, for and in consideration of mutual promises and obligations, the receipt and sufficiency of which are hereby acknowledged, Contractor provides the following acknowledgment and release:

1. **GENERAL.** The recitals so stated above are true and correct and by this reference are incorporated as a material part of this Release.

2. **ACQUISITION OF IMPROVEMENTS.** Contractor acknowledges that the District is acquiring or has acquired the Improvements constructed by Contractor in connection with the Contract, from Developer, and accordingly, the District has the unrestricted right to rely upon the terms of the Contract for same.

3. **WARRANTY.** Contractor hereby expressly acknowledges the District’s right to enforce the terms of the Contract, including but not limited to any warranties and other forms of indemnification provided therein and to rely upon and enforce any other warranties provided under Florida law.

4. **CERTIFICATION.** Except as set forth herein, Contractor hereby acknowledges that it has been fully compensated for its services and work related to completion of the Improvements. Contractor further certifies that, except as set forth herein, no outstanding requests for payment exist related to the Improvements, including any payments to subcontractors, materialmen, suppliers or otherwise, and that there is no disagreement as to the appropriateness of payment made for the Improvements. Except as set forth herein, this document shall constitute a final waiver and release of lien for any payments due to Contractor by Developer or District for the Improvements. Despite the foregoing, the Contractor and the District acknowledge and agree that the foregoing certification relates only to payments for Improvements through Pay Application # _____, and does not include unpaid retainage in the amount of \$ _____.

[SIGNATURE PAGE FOR CONTRACTOR ACKNOWLEDGMENT AND RELEASE]

By: _____
Its: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization this _____ day of _____, 20____, by _____ as _____ of _____, and with authority to execute the foregoing on behalf of the entit(ies) identified above, and who appeared before me this day in person, and who is either personally known to me, or produced _____ as identification.

NOTARY PUBLIC, STATE OF _____

(NOTARY SEAL)

Name: _____
(Name of Notary Public, Printed, Stamped or
Typed as Commissioned)

EXHIBIT A

Improvements – [DESCRIBE COMPLETED SITE WORK – STORMWATER, UTILITIES, CONDUIT]

Improvement	Paid to Date
Improvements completed through Pay Application # _____	\$ _____

DRAFT

PROFESSIONAL ACKNOWLEDGMENT AND RELEASE
[AVALON GROVES CDD – 2021 PROJECT]

THIS ACKNOWLEDGMENT & RELEASE (“Release”) is made the ____ day of _____, 20____, by **Heidt Design, LLC**, a Florida limited liability company, having offices located at 5904 Hampton Oaks Parkway, Suite A, Tampa, Florida 33610 (**“Professional”**), in favor of the **Avalon Groves Community Development District (“District”)**, which is a local unit of special-purpose government situated in Lake County, Florida, and having offices at c/o DPGF, 250 International Parkway, Suite 280, Lake Mary, Florida 32746.

RECITALS

WHEREAS, pursuant to that certain [CONTRACT NAME] (**“Contract”**) dated _____, 20____, as amended, and between Professional and Pulte Home Company, LLC, a Michigan limited liability company (**“Developer”**), Professional has created certain work product, as described in **Exhibit A (“Work Product”)**; and

WHEREAS, Developer may in the future convey the Work Product to the District and for that purpose has requested Professional to confirm the release of all restrictions on the District’s right to use and rely upon the Work Product; and

WHEREAS, Contractor has agreed to the release of any such restrictions.

NOW, THEREFORE, for and in consideration of mutual promises and obligations, the receipt and sufficiency of which are hereby acknowledged, Professional provides the following acknowledgment and release:

1. **GENERAL.** The recitals so stated above are true and correct and by this reference are incorporated as a material part of this Release.
2. **ACQUISITION OF WORK PRODUCT.** Professional acknowledges that the District is acquiring or has acquired the Work Product created by the Professional in connection with the Contract, from Developer, and accordingly, the District has the unrestricted right to use and rely upon the Work Product for any and all purposes. Professional hereby affirmatively agrees that the Work Product identified in Exhibit A is free of all claims, security agreement, encumbrances or liens.
3. **WARRANTY.** Professional hereby expressly acknowledges the District’s right to enforce the terms of the Contract, including but not limited to any warranties and other forms of indemnification provided therein and to rely upon and enforce any other warranties provided under Florida law.
4. **CERTIFICATION.** Professional hereby acknowledges that it has been fully compensated for its services and work related to completion of the Work Product. This document shall constitute a final waiver and release of lien for any payments due to Professional by Developer or District for the Work Product. Despite the foregoing, the Contractor and the District acknowledge and agree that the foregoing certification relates only to payments for Improvements through Pay Application #_____.

[SIGNATURE PAGE TO FOLLOW]

[SIGNATURE PAGE FOR PROFESSIONAL ACKNOWLEDGMENT AND RELEASE]

HEIDT DESIGN, LLC

By: _____
Its: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization this _____ day of _____, 20____, by Tim Plate as _____ of Heidt Design, LLC, and with authority to execute the foregoing on behalf of the entit(ies) identified above, and who appeared before me this day in person, and who is either personally known to me, or produced _____ as identification.

NOTARY PUBLIC, STATE OF _____

(NOTARY SEAL)

Name: _____
(Name of Notary Public, Printed, Stamped or
Typed as Commissioned)

EXHIBIT A

Work Product – CDD work product for the 2021 Project described in the *Engineer's Supplemental Report – 2021 Bond Issuance*, dated January 28, 2021, and created to date pursuant to that certain agreement with Heidt Design, LLC, dated _____.

Improvement	CDD Eligible Amount
Work Product	\$

BILL OF SALE AND LIMITED ASSIGNMENT
[AVALON GROVES CDD – 2021 PROJECT]

THIS BILL OF SALE AND LIMITED ASSIGNMENT is made to be effective as of the ____ day of _____, 2021, by and between **Pulte Home Company, LLC**, a Michigan limited liability company, with an address of 4901 Vineland Road, Suite 460, Orlando, FL 32811 ("**Grantor**"), and for good and valuable consideration, to it paid by the **Avalon Groves Community Development District**, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes* ("**District**" or "**Grantee**") whose address is c/o 250 International Parkway, Suite 280, Lake Mary, Florida 32746.

(Wherever used herein, the terms "Grantor" and "Grantee" include all of the parties to this instrument, the heirs, legal representatives and assigns of individuals, and the successors and assigns of trustees, partnerships, limited liability companies, governmental entities, and corporations.)

BACKGROUND STATEMENT

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor and Grantee, intending to be legally bound, do hereby agree as follows:

1. Grantor hereby transfers, grants, conveys, and assigns to Grantee all right, title and interest of Grantor, if any, in and to the following "**Property**" interests as described below to have and to hold for Grantee's own use and benefit forever:

- a) All "**Improvements**" and "**Work Product**" described in **Exhibit A** attached hereto; and
- b) **Additional Rights** - All of the right, title, interest, and benefit of Grantor, if any, in, to and under any and all contracts, guaranties, affidavits, warranties, bonds, claims, lien waivers, and other forms of indemnification, given heretofore and with respect to the construction, installation, or composition of the Improvements and Work Product described in **Exhibit A**.

2. Grantor hereby covenants that: (i) Grantor is the lawful owner of the Property; (ii) the Property is free from any liens or encumbrances and the Grantor covenants to timely address any such liens or encumbrances if and when filed; (iii) Grantor has good right to sell the Property; and (iv) the Grantor will warrant and defend the sale of the Property hereby made unto the Grantee against the lawful claims and demands of all persons whosoever.

3. Except as otherwise separately agreed to in writing by Grantor, this conveyance is made on an "as is" basis. The Grantor represents that it has no knowledge of any latent or patent defects in the Property, and hereby assigns, transfers and conveys to the Grantee any and all rights against any and all firms or entities which may have caused any latent or patent defects, including, but not limited to, any and all warranties and other forms of indemnification.

4. By execution of this document, the Grantor affirmatively represents that it has the contractual right, consent and lawful authority of any and all forms to take this action in this document and in this form. Nothing herein shall be construed as a waiver of Grantee's limitations on liability as provided in Section 768.28, *Florida Statutes*, and other statutes and law.

WHEREFORE, the foregoing Bill of Sale and Limited Assignment is hereby executed and delivered on the date first set forth above.

Signed, sealed and delivered by:

WITNESSES

PULTE HOME COMPANY, LLC

By: _____
Name: _____
Title: _____

Name: _____
Title: _____

By: _____
Name: _____
Title: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was sworn and subscribed before me by means of ☐ physical presence or ☐ online notarization this _____ day of _____, 20____, by _____ as _____ of Pulte Home Company, LLC, a Michigan limited liability company, and with authority to execute the foregoing on behalf of the entit(ies) identified above, and who appeared before me this day in person, and who is either personally known to me, or produced _____ as identification.

NOTARY PUBLIC, STATE OF _____

(NOTARY SEAL)

Name: _____
(Name of Notary Public, Printed, Stamped or Typed as
Commissioned)

EXHIBIT A

Improvements – [DESCRIBE COMPLETED SITE WORK – STORMWATER, UTILITIES, CONDUIT]

Work Product – CDD work product for the above-listed public improvements (for the 2021 Project described in the *Engineer's Supplemental Report – 2021 Bond Issuance*, dated January 28, 2021) created to date pursuant to that certain agreement with Heidt Design, LLC, dated _____.

Improvement	CDD Eligible Amount
Improvements completed through Pay Application # _____	\$ _____
Work Product	\$ _____
TOTAL	\$ _____

EXHIBIT 16



Proposal #107010

Date: 01/25/2021

From: Dana Bryant

Proposal For

Avalon Groves CDD

c/o DPFG
250 International Pkwy
Suite 280
Lake Mary, FL 32746

main: 321-263-0132
mobile:

Location

100 Sawgrass Bay Blvd
Clermont, FL 34714

Avalon Groves CDD: Pump Station Repair Part 2

Terms: Net 30

- Repair Pump intake that overheated when the Pump was left in HAND

ITEM DESCRIPTION	AMOUNT
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Irrigation

Client Notes

Signature

x

Patrica Thibault

SUBTOTAL \$695.91

SALES TAX \$0.00

TOTAL \$695.91

Signature above authorizes Yellowstone Landscape to perform work as described above and verifies that the prices and specifications are hereby accepted. All overdue balances will be charge a 1.5% a month, 18% annual percentage rate.

Limited Warranty: All plant material is under a limited warranty for one year. Transplanted plant material and/or plant material that dies due to conditions out of Yellowstone Landscape's control (i.e. Acts of God, vandalism, inadequate irrigation due to water restrictions, etc.) shall not be included in the warranty.

Contact

Print Name: _____

Title: _____

Date: _____

Assigned To

Dana Bryant
danabryant@yellowstonelandscape.com



Proposal #91445

Date: 10/14/2020

From: Dana Bryant

Proposal For

Avalon Groves CDD
c/o DPFG
250 International Pkwy
Suite 280
Lake Mary, FL 32746

main: 321-263-0132
mobile:

Location

100 Sawgrass Bay Blvd
Clermont, FL 34714

Avalon Groves CDD: Quarterly Well/Pump inspection

Terms: Net 30

- Inspection of the well and Pump station on the BLVD
- Pull the pump screen to the surface, check and clean

ITEM DESCRIPTION	AMOUNT
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Subcontracted Service

Client Notes

Signature

x *Patrica Thibault*

SUBTOTAL \$239.73

SALES TAX \$0.00

TOTAL \$239.73

*Signature above authorizes Yellowstone Landscape to perform work as described above and verifies that the prices and specifications are hereby accepted. All overdue balances will be charge a 1.5% a month, 18% annual percentage rate.
Limited Warranty: All plant material is under a limited warranty for one year. Transplanted plant material and/or plant material that dies due to conditions out of Yellowstone Landscape's control (i.e. Acts of God, vandalism, inadequate irrigation due to water restrictions, etc.) shall not be included in the warranty.*

Contact

Assigned To

Print Name: _____

Dana Bryant
danabryant@yellowstonelandscape.com

Title: _____

Date: _____

EXHIBIT 17



WALTER N. CARPENTER, JR., MAI, CRE
Cert Gen RZ1231
MARK G. CARPENTER, MAI
Cert Gen RZ935

February 2, 2021

Avalon Groves CDD Board of Supervisors
c/o Chris Cleveland
250 International Parkway, Suite 280
Lake Mary, FL 32746

RE: Valuation Fee Quote
104± acres Palms at Serenoa Phases 3 & 4
Lake County, FL

Dear Mr. Cleveland:

Thank you for your call and the opportunity to quote time and fee requirements for the valuation of the above referenced property. The purpose of this valuation will be to estimate the market value of the real estate as of January 15, 2021 (without consideration of future subdivision infrastructure, platting or development approval obtained subsequent to July 2020), based upon an allocation as to upland and wetland per acre values.

The assignment shall be prepared for Avalon Groves CDD Board of Supervisors and is for the sole and exclusive use of same. We request that you seek our written authorization before releasing the report to any other party.

Pinel & Carpenter, Inc. proposes to complete the investigations, inspections, and analyses necessary to perform this appraisal and deliver three copies of our appraisal report within approximately four weeks from written authorization to proceed and receipt of all information requested. Our report will be presented in a summary format, containing the necessary descriptive data of the property, along with pertinent factual data and analysis necessary to convey our opinion of value.

The appraisal will be prepared in accordance with the Uniform Standards of Professional Appraisal Practice. Attached to this letter you will find a copy of our Statement of Limiting Conditions and Appraiser's Certification which are attached to all appraisals, prepared by this office. Please review and initial each attached page and return the executed copy to us indicating your acceptance and approval of our Limiting Conditions and Appraiser's Certification.

The appraisal will provide an allocated value of the property as to uplands, wetlands, and existing ponds. Client to provide breakout of these acres as the property existed in October 2019.

The estimated completion date of the appraisal is March 2, 2021. We can only complete the appraisal by this date if we receive from you in a timely manner any relevant information needed for the preparation of the report. In order to complete this appraisal, the following information will be needed.

- 1) Legal description of parcels to be valued, if available.
- 2) Site sketch and/or survey detailing size and site boundaries of parcels.
- 3) Title policy, if available.

Avalon Groves CDD Board of Supervisors
c/o Chris Cleveland
February 2, 2021
Page Two

- 4) Development agreement, if applicable.
- 5) Engineering report detailing the size of each parcel to be valued with a breakdown of uplands, wetlands and existing ponds.
- 6) Copies of existing easements and/or agreements which encumber parcels.
- 7) Name and telephone number of local contact person to arrange an inspection.

We will furnish you with three copies of the appraisal report. Our fee for this appraisal will not exceed **\$3,950** payable upon receipt of the "WORK IN PROGRESS" report. This fee includes the cost of certain expenses that may be incurred in the preparation of the report.

A retainer in the amount of **\$2,700** must be paid to this office before we can commence the assignment. A bill for the balance of the assignment fee will be presented and immediate payment will be requested at the time the service is completed.

Additionally, work beyond the initial valuation (i.e. updating land sales/per acre values) will be billed on an hourly rate as follows:

MAI/Partner	-	\$375.00/Hour
Staff Appraiser	-	\$150.00 to \$200.00/Hour
Researcher	-	\$ 80.00/Hour

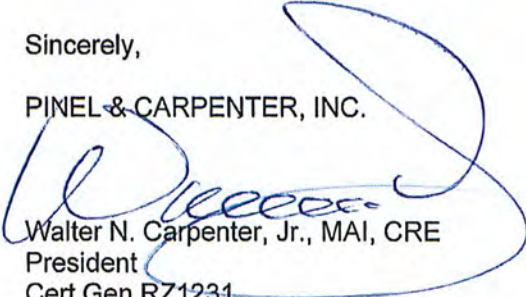
My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

We will proceed with the preparation of this appraisal upon receipt of a signed copy of this letter and an initialed copy of the Statement of Limiting Conditions and Appraiser Certification.

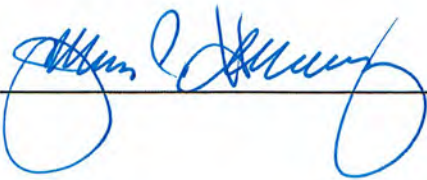
We appreciate the opportunity to be of service to you. If you have any further questions, please do not hesitate to contact us.

Sincerely,

PINEL & CARPENTER, INC.


Walter N. Carpenter, Jr., MAI, CRE
President
Cert Gen RZ1231

WNC/ego
Attachments

Engagement Letter Accepted: 

2-8-2021

Date

GENERAL UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

1. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The property is appraised as if free and clear of any or all liens or encumbrances unless otherwise stated.
3. Responsible ownership and competent property management are assumed.
4. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
5. All engineering is assumed to be correct. Any plot plans and illustrative material in this report are included only to assist the reader in visualizing the property.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable unless stated within the appraisal report. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
7. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.
8. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report.
9. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report are based.
10. Any sketch in this report may show approximate dimensions and is included to assist the reader in visualizing the property. Maps and exhibits found in this report are provided for reader reference purposes only. No guarantee as to accuracy is expressed or implied unless otherwise stated in this report.
11. It is assumed that the utilization of the land is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.

GENERAL UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

(Contd.)

12. The appraiser is not qualified to detect hazardous waste and/or toxic materials. Any comment by the appraiser that might suggest the possibility of the presence of such substances should not be taken as confirmation of the presence of hazardous waste and/or toxic materials. Such determination would require investigation by a qualified expert in the field of environmental assessment. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The appraisers' value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value unless otherwise stated in this report. No responsibility is assumed for any environmental conditions or for any expertise or engineering knowledge required to discover them. The appraisers' descriptions and resulting comments are the result of the routine observations made during the appraisal process.
13. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
14. Possession of this report or a copy thereof does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser and, in any event, only with proper written qualification and only in its entirety.
15. The appraiser herein by reason of this appraisal is not required to give further information consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
16. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.
17. Sales data and information regarding land sales were abstracted from public records, from sales services, and from other sources. This information is assumed to be accurate and correct and was also verified with our sources.
18. Any flood zone information provided within this report was based upon a review of the National Flood Insurance Maps. We assume no responsibility for their accuracy.

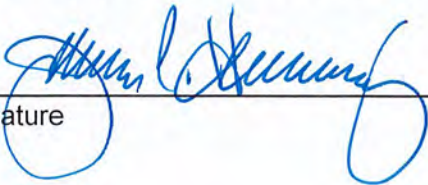
I certify that, to the best of my knowledge and belief:

- 1) The statements of fact contained in this report are true and correct.
- 2) The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- 3) I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- 4) I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- 5) I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- 6) My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 7) My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- 8) My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- 9) I have made a personal inspection of the property that is the subject of this report.
- 10) No one provided significant real property appraisal assistance to the person signing this certification.
- 11) The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- 12) The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

As of the date of this report, I have/has completed the continuing education program of the Appraisal Institute.

As of the date of this report, I have/has completed the Standards and Ethics Education Requirement of the Appraiser Institute for Associate Members.

Signature



Date

2-8-2021