

**MINUTES OF MEETING
PORTOFINO VISTA
COMMUNITY DEVELOPMENT DISTRICT**

The special meeting of the Board of Supervisors of the Portofino Vista Community Development District was held on Monday, January 13, 2025, at 11:30 a.m. at 3545 Allegra Circle, St. Cloud, Florida.

Present and constituting a quorum were:

Mary Papantonis
Benjamin Vincent
Branden Skinner

Chairman
Assistant Secretary
Assistant Secretary

Also present were:

Rich Hans
Ginger Wald
Warren Bloom

District Manager
District Counsel (by phone)
Greenberg Traurig - Trustee's Counsel (by phone)

FIRST ORDER OF BUSINESS

**Oath of Office for Newly Elected
Supervisor(s) at Landowners
Election – Seat #3 and Seat #4**

Mr. Hans administered the oath of office to both Mary Papantonis for seat #4, and Brandon Skinner for seat #4 at this time.

SECOND ORDER OF BUSINESS

Roll Call

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

THIRD ORDER OF BUSINESS

Organizational Matters

A. Acceptance of Resignation Letter from Mr. Jose Bernal

Mr. Hans indicated a resignation letter from Jose Bernal had been included in the agenda and stated his seat had expired with the landowner's election but, the Board could accept his resignation letter at this time just for the record. Mr. Hans then asked for a motion to accept the resignation letter.

On MOTION by Mr. Skinner seconded by Mr. Vincent with all in favor, accepting the resignation letter from Jose Bernal was approved.

B. Consideration of Resolution #2025-01 Canvassing and Certifying the Results of the Landowners Election

Mr. Hans presented resolution #2025-01 canvassing and certifying the results of the landowner's election and gave a brief explanation relating to the results and the terms of the election. He then asked for any questions or comments, and upon hearing none, asked for a motion to approve the resolution.

On MOTION by Mr. Skinner seconded by Mr. Vincent with all in favor, Resolution #2025-01 canvassing and certifying results of the Landowners Election was approved.

C. Consideration of Appointment of Supervisors to Unexpired Term(s) of Office – Seat #5 (11/2024)

Mr. Hans stated there was now a vacancy on the Board for seat #5 and asked if the Board wished to appoint anyone to that seat.

Ms. Papantonis stated not at this time.

D. Oath of Office for Newly Appointed Supervisor(s)

There not being any, the next item followed.

E. Consideration of Resolution #2025-02 Electing Officers

Mr. Hans presented resolution #2025-02 electing officers and stated every time there is an election or a new appointment to the Board, the Board members need to take a look at the slate of officers. Mr. Hans then stated currently Mary Papantonis was chairman, Jim Dupre was vice chairman, Benjamin Vincent and Brandon Skinner were assistant secretaries. Also from his office Patti Powers as treasurer, Rich Hans as secretary, Sharyn Henning as assistant treasurer, and Paul Winkeljohn as an assistant secretary. Mr. Hans then stated if the Board wished to keep the same slate of officers, they could just take a motion to that effect or make any changes they wished.

On MOTION by Mr. Skinner seconded by Mr. Vincent with all in favor, Resolution #2025-02 electing officers, keeping the existing slate of office the same as stated on the record by Rich Hans was approved.

FOURTH ORDER OF BUSINESS

Approval of the Minutes of the August 28, 2024 Meeting

Mr. Hans presented the minutes of the August 28, 2024 meeting which were included in the agenda, and asked for any corrections, deletions or additions. Upon hearing none, he asked for a motion to accept the minutes.

On MOTION by Mr. Vincent seconded by Ms. Papantonis with all in favor, the Minutes of the August 28, 2024 Meeting were approved.

FIFTH ORDER OF BUSINESS

Discussion of Portofino Vista CDD v. Prime Homes at Portofino Vista, LTD, et al. Foreclosure Litigation

Mr. Hans: Item No. 5, discussion of Portofino Vista CDD versus Prime Homes at Portofino Vista, LTD foreclosure litigation. Earlier today I distributed a memo from our trustee counsel, and I don't know if you've had a chance to read it over prior to this meeting. We do have trustee counsel and District counsel online and kind of go over what we need approval for, so I don't know if Ginger or Warren which one of you guys want to start this.

Ms. Wald: Let me start and then Warren can pick up and I can answer some questions. So, Board we have a foreclosure, and I know most of you are newer to the Board but, we have a foreclosure action that has been pending since December 2009 against the vacant lots within the Portofino Vista Community Development District. As you are aware, there are 57 lots that have been built with townhomes and people residing in them. This foreclosure action is filed and remains pending for the remainder lots. In this foreclosure action that has been pending for many years, different incarnations have occurred, and it's basically been sitting for an extensive period of time. The court had issued an order back in October of last year, setting this matter for trial. The trial is scheduled for this Wednesday at 9:00 a.m. and compels the attorneys for the parties to

attend that trial. I made the trustee's attorney, Mr. Bloom, who's on this video conference now aware of that, I also made aware Mr. Greenfield who represents one of the bondholders in this matter as well and different discussions have been occurring as to what actions they would like to see and take in proceeding forward with attempting to again try to settle this matter in advance of the trial. You are the District itself, not you individually as Board members, but the District itself is our client, as you know, as District counsel, and then specifically in regards to this litigation as well. There have been certain discussions, and I'm going to have Warren go into those, in that the bondholders have held and the trustee's attorney have been involved in a way to resolve the litigation and enter into certain orders and final judgments of the foreclosure action either in advance of or due to this late date on the date of the trial that I will be attending on Wednesday morning and your obligation as the Board of Supervisors members is to act in the best interest of the District, that's your fiduciary obligation, and as part of those responsibilities, which you can see from the memo that that Mr. Bloom had written, but also a review of the Master Trust Indenture with the issuance of the bonds that the District entered into this agreement as part of the issuance. The District's responsibility, and it started it obviously with filing the foreclosure action as was directed thereto, was to enforce all those rights of the bondholders, which there were two separate ones, we have B bonds and A bonds, including proceeding forward and carrying out any agreements in that duty and, therefore, the District had entered into that Master Trust Indenture agreement as supplemented and had agreed that it would act at the direction of the trustee who represents the bondholders. So, the decisions that you give here today, and to me today, I need to provide you that information and also that I need to have a decision from you as the Board collectively based on your vote as to how to proceed with a dispute between the two bondholders and how to reconcile and settle this foreclosure case. Now, I'm going to take a breath, and I'm going to let Warren provide the direction that the trustee, and in his memo as written. Warren, did we lose you?

Mr. Bloom: I'm sorry, it cut out for a second.

Ms. Wald: That's ok.

Mr. Bloom: Can you hear me now?

Ms. Wald: Yes, we can hear you, Warren.

Mr. Bloom: So,

Mr. Bloom: So, we have had discussions with Mr. Greenfield and Mr. Greenfield seems to be the mortgage holder's counsel. I actually don't think we're far away on this, and mostly we're in agreement and that the majority bondholder would like to take the, and you also know that some of these lots have been lost to tax deeds, roughly 73, one of them was escheated, so that's kind of gone. So, what we talked about with Mr. Greenfield, with respect to the developer, was that we would split up the foreclosure into two pieces, one would be the foreclosure sale. So, the foreclosure, you guys probably don't know this but, you get a check then which you have, and you won't the judgement and you eventually settle the foreclosure date. So, the foreclosure sale date for the lots that had been lost, to the tax deed would be first while everyone figures out how messed up the title is on those things, and you guys know better than I do that you know the plan for the development looks a little bit like a, you know, wavy piano and a lot of the keys of the piano or whatever are missing because those lots have been lost to the tax deed without all the lots, and again, I'm not a development lawyer, but without all the lots together with the current plan that you have there, it's very difficult obviously to build rows of townhomes with missing things, it just won't work right. So, the concept was, ok let's do those first, let's put off the 132 lots that are owned by Prime until everyone, including the developer bondholder, and you all see that there's a plan forward here. I think there was kind of a relative agreement on that being more of how it's accomplished I think, and so and I'm sure that you've heard or perhaps you've heard that counsel for the majority bondholder thinks that if we just ask the Court to, like, stay the case, which would be great, then we'll continue to try and work things out. I think I'm not a litigator but, my litigation partner is pretty certain that after 14 years or so, no judge is going to say that they're going to give you more time, in fact, the reason that we're here is because of the order that the court sent out in October that Ginger mentioned this, that you got to have to bring it to the head. So, what we think the most fair thing to do is for the trustee for the benefit of the bondholders is to essentially to go to the judge with an order and the judge would generally like to sign orders because it gets it off their off their docket and it cleans it up, so to speak. So, he says, ok the foreclosure judgment is granted, go ahead and go, you know, set your sale with "X" number of days, a short period of time on the lots that were taken by tax deed and then push off the foreclosure sale. So, it would still be owned by Prime until such a later time, until you can subtract, or if this deal can be put back together, at least in the

configuration that's there now, and the thought there was six months, and the reason why this is important is that if this somehow were to get dismissed this case, it's been around a long time, it will be very difficult to get refiled again. The bondholders will, at least the junior bondholder will potentially, you know kind of be left without a remedy. Our understanding is you'll see from the memo is that and there's nothing wrong with this but, the owner of the bonds affiliated with the owner of the land and also owns the mortgage loan that was originally made by Wachovia way back when. So, we think from what the document including is, Ginger said it more eloquently than I did, the Master Trust Indenture that was signed by the District with the trustee, which sets forth how bondholders are treated, which is essentially equal would require that we do this this way, with this type of order, or at least it's the safest approach to keep the judge from being upset or whatever, and just saying I'm done. I don't want to deal with this anymore. At any rate you know, hopefully the memo hasn't put you to sleep, but we think the appropriate thing to do, the other bondholder, which is a large mutual fund, you know, they're pretty adamant about it and I don't think it treats anybody poorly this concept, so that's what we're asking for. I think it makes sense and I'm open for any questions you want to give to me.

Mr. Hans: Are there any questions from the Board?

Ms. Papantonis: I guess what would be the downside of going in and right off the bat saying, let's just foreclose on the tax deed lots and then seeing what the response is, is that not an option?

Mr. Bloom: We could but, again, if we don't foreclose, it's a good chance that the judge will simply say ok, you can do that, but you lose when he dismisses the portion of the Prime lots and again at that point, the junior bondholder, or what I should say is the minority bondholder by not very much, they may be left with a huge remedy. We don't have an agreement with Prime. Go ahead, I'm sorry.

Mr. Hans: Can you repeat that Warren, you were a little low, and it's hard to hear, can you explain that again?

Mr. Bloom: I'm sorry, can you hear me?

Mr. Hans: Yes, we can hear you.

Mr. Bloom: Ok, so do you want me to talk a little bit more about how the other bondholders heard or no, was it that?

Mr. Skinner: I just didn't hear the rest of your response the last 30 seconds of it or so, could you restate that please?

Mr. Bloom: Ok, if I can remember. So, if you were to go to the judge, go in there and Ginger feels she could get more time and she knows more than I do than I do about it, but say to the judge, listen, here's the deal, we just want to foreclose on these now. What's going to happen, well actually I'm not sure what will happen, but you'll still have the foreclosure case ongoing, we would also ask for the foreclosure case on 132 lots to be stayed so they'll still be there, we're just not asking to complete it now. What the judge wants, at the end of the day, is to have an order which says these lots are foreclosed, the sales are going to take place at X&Y at a later date, he's all done, his docket is cleaned, so he's got one less case he has to worry about. This is all about the time it took to get here and cleaning up his docket because he gave 15 minutes for a trial, so the goal here is to either have a settlement or perhaps a dismissal and a dismissal that works, works a bad thing on one of the bondholders, as Ginger put it, you guys contracted with what was right for all of them, so that's kind of the problem.

Ms. Papantonis: I guess my question is, can Ginger not go in with like a plan A and a Plan B and change course during her meeting on Wednesday if you know she's sensing something or kind of push back from the judge. Is that not something you could do?

Ms. Wald: Well, it's not, and let me just clarify one thing it's not a meeting, it's scheduled for trial. If we do not have joint motions with the other two attorneys representing the lender and representing Prime as the landowner, then the court won't entertain any of that, if we proceed forward with a joint motion to abate the proceedings, that is basically the stay of the case for the Prime lots. What I have stated and it can be looked at many emails and I've stated to you is, I don't have as one of my colleagues say, a crystal ball, but I can say in my 30 some odd years of practicing law, a judge will not want to see a case that's on his trial day, continued at the last minute even as just a partial continuance, especially when it's been sitting around for 14 years. The other thing as well, is that the Supreme Court of Florida had new rules that went into effect January 1, 2025, that all of the courts, all of the judges must abide by, which requires these cases to move forward quickly, and not language and not grant any type of continuances without true good cause. I have prepared that motion as requested by Mr. Greenfield for the bondholder, the majority bondholder counsel and the good cause is basically, you know,

the parties are still trying to settle what's going to happen with those lots. I can't say what's going to happen, and if the court asks, well, what about the last 14 years, and what about the prior motion to stay when you were granted that, you've had plenty of time to try to settle and I really don't have an answer, all I can say is that's what my client wants to do. I don't know what will happen, as I said, if we proceed forward, if the Board directs me to do so, because again, as I said before, you're the client but, if the Board directs me to do so, and other counsel, opposing counsel agree thereto to file that, and this'll be a little unique that we're filing these motions on the date of the trial as well, and if the court enters that and enters into the agreed order of foreclosure and the sale date with the tax deed lots, then that's where we are. If the court is not happy with any of that, it can say I want a final judgment on all, or I'm dismissing this case, that's where we run into certain issues because the second step as to what Mr. Greenfield had requested is to have the final judgment, which is what the trustee's counsel just explained to you, plus we have that joint motion for entry of a final judgment of foreclosure, in which all the lots will be included. So, the judge gets this case off the docket and accomplishes what the court wants, which making it disappear, and with that, when we're talking about a bifurcated sale date, that means within the final judgment that I have prepared, you will see that the tax deed lots have a blank for its sale date, it can't occur any earlier than 20 days, but it can occur basically any time that the plaintiff wants to a certain extent thereafter, and then you will see within also that final judgment, as second paragraph, with a second sale date for the Prime lots which I believe the trustee is saying set for six months down the road. We could even ask for a longer period of time, I don't think the court is as much interested in what those dates are, as long as long as they're legal dates but, I believe that the court's interest is through what they have done over the past time period and in setting this case for trial, so it's obviously on its own is to have this case off its docket and closed in their eyes, and then the rest as to sale dates is really up to the clerk having them set. So, that's I believe the discussion that Warren was trying to explain to you at that point. That that's really what he was explaining, so that's kind of the process. So I don't, as I said, I don't know what the court is going to do, I don't think anybody ever knows what a court is going to do, but could it be asked for, the answer is yes, if you direct me to do so, and opposing counsel agrees, that is what I will do, and if the second step, as is requested by Mr. Greenfield, in regards to the bifurcated sale date and a full final judgment of

foreclosure, which I believe would be in the best interest of all parties as to the court, because the court would be very happy to get rid of this foreclosure case and would probably not have an issue with signing off on a lengthy sale date for the Prime lots. But again, I don't know what will occur on Wednesday morning, it's just something that the bondholders had come up with.

Mr. Bloom: One other thing too, I mean, it's not infrequent that someone moves, so to the extent that the argument was just being made, but it didn't make sense right then, six months from now for, you know, the Prime lots to come in and join the other lots, the tax deed lots, that you can push it, we've done that now for, you know, several years in a not under these exact circumstances but, certainly it happens all the time.

Ms. Wald: The other thing too is, you know with going forward with tax deed sales, regardless of who owns the lot. Let's say, I'm sorry not tax deed sales, foreclosure sales, let's say that we're talking about bifurcated sales, so let's say the tax deed lots go up for foreclosure sale first, Districts are not in the business of holding property normally when a foreclosure occurs. Normally, what will happen is a Special Purpose Entity will be set up and the District will go ahead and assign its final judgement rights, and I'd have to add that in the final judgment to that Special Purpose Entity. So it can move forward, and it can either get the lots or of course it's going for a foreclosure sale and, by the way, in a foreclosure sale just so you know anybody can come in and could go ahead and bid on it, and end up with all these properties. So, I don't want you to walk away thinking that it's directly going to go to the District because anything can happen. I mean, why do you think people are buying these tax deeds if they think they're not going to make money off of it? So, that could possibly occur, but even with that, if the taxes are not paid after foreclosure, and if it comes back to the to the District or a SPE and nobody's paying the taxes, they're going to go forward through the tax certificate being issued and then another tax deed sale is going to happen and it's going to be free and clear of these assessments. And so, then the District can't proceed forward with paying the bondholders any of that because, they're gone, they're free and clear. So, that's the other understanding and that's not for you to decide obviously, but that's for the other understanding as to how the process works, just so you know, and also that the trustee and then the bondholders also understand that could happen, and the District has proceeded forward with what they've been directed to do. And in the District proceeding forward and what they've been directed to do, that

protects the District from being in breach of the Master Trust Indenture, and I'll stop now because I just said a lot of things.

Ms. Papantonis: I think we should try to move forward with the tax deed lots and what was the word you used, I think you said abate the other lots?

Ms. Wald: Yes, so let me tell you what motions, and orders that that I have already prepared, so the Board knows, and then you can decide from there. So there's a couple housekeeping matters that were previously discussed because this case has been around for a while, one is a joint motion with an agreed order to vacate a previously entered partial final summary judgment that was in favor of Wells Fargo. Wells Fargo was the lender before Renwick came in and bought that because that'll make it even more complicated in regards to these sales being done as to cleaning up for title. the second motion that I prepared was a joint motion and the corresponding agreed order to withdraw the amended complaint, the amended complaint we had filed a few years ago was including some of the tax deed holders to proceed forward against them, not just the property itself but against them individually, to avoid the necessity of having to do an action acquired title down the road, because then you'd have free and clear title. So, we want to go back to the original complaint that doesn't have that language in there, those tax deed holders, I never received funding for them to serve them because they have to be served with the amended complaint and therefore the court, even though I've asked for extensions, therefore, the court went forward and dismissed them from that amended complaint, so that's another cleanup item. The motion that we're talking about right now would be a joint motion to partially abate the proceedings only as to the Prime lots, what does partially abate mean? That means to stay the proceedings, not to move forward with the foreclosure action, and then the order would be that they would be stayed, that's the one that we're talking about. If that is granted, the secondary part of that is the joint motion to enter into a foreclosure judgment only against the tax deed lots. The other document, and I did prepare that, the other document that prepared along with the joint motion to enter into the agreed foreclosure judgment, which would be the same for that final judgment against the tax deed lots, is also an agreed final judgment of foreclosure with those two separate sale dates, which we keep saying as a bifurcated sale date, one for the tax deed lots that would say let's say within 60 days, 30 days and then the other one for the Prime lots of six months or longer, so that has also been prepared. The other thing that I

prepared because again, I don't know what the court's going to do and I was required to do so by the court order. If we don't have an agreement with all parties, parties being the attorney, Sarafan and King that represent Prime and Renrick Enterprises is a final judgment of foreclosure, as if I was going forward with the trial on Wednesday. So those are the documents that that I have prepared, the direction I need is basically whether the Board wants to take the direction of the trustee and merely proceed other than my two motions to clean up the record with the partial summary judgment and the amended complaint, I don't think that's a contested issue but, whether the Board wants to proceed forward with that joint motion to enter into a foreclosure judgment with the bifurcated sale date, which would in essence dispose of the case for the court and have a quicker sale date for the tax deed lots and a longer sale date for the Prime lots to give the opportunity for the bondholders to resolve and enter into their own agreement, which will keep the District out of it. The District would not be part of that agreement as to how they're going to set up those lots and market them and be able to do something in regards to that. That is something the District would like, I said before we're not getting involved in, the District's responsibility is, as I stated, as part of the Master Trust Indenture, is take the direction from the trustee. So those are what we're talking about now and those are the options. Again, I don't know what the court is going to do. The court could just say you guys aren't doing anything, go forward with your case, I don't know. The court could say you're not ready, I'm dismissing the whole thing, and again, these are something that I can't predict. I can just say that they are possible opportunities that the Court could take if it chooses to do so because it has the authority to do so but, that is that is something that is that is available there too. But that's what I have prepared, what I need from and I'll let Mr. Bloom speak again but, what I need from my Board is what direction you want me to take in regards to these motions and the final judgment of foreclosure that I have that we have discussed and I've prepared.

Mr. Bloom: So, again, and Ginger's done a great job of explaining the options, we want the second one, we want the split bifurcated judgement, you are directing the District to do this. We want the second option of the split bifurcated judgment. It gets the developer or it is the most likely to be accepted by the court because it's one piece of paper that goes in front of them and he can sign it. It gets rid of the case for him, it kicks it over to the Clerk of the Court who schedules these things. So, to the extent I said before,

like I said before, it can be pushed again if nobody wants to take back the property. It also preserves the foreclosure well, it is continuing the foreclosure case and makes it most likely that money will come in to be shared equally or not equally pro rata based upon ownership of the two bondholders, which is what the documents say and what the mutual fund that bought the other bonds are relying on. If the judge just says I don't want to deal with this, I dismiss the whole thing, you know, if there's not enough time left to bring another lawsuit, and it's entirely possible that there won't be any assessments left on the property. All of them, and while the developer or Prime will still own the land, and will still own the mortgage, still control the Board, a large mutual fund who has been known to sue districts before may have that option. So again, I'm not threatening you with it, I'm not their attorney, but I think it accomplishes all the things that the conversations we've had with Mr. Greenfield are looking for, it minimizes the chance that the judge just looks up when Ginger says well, I have three options, and the judge, to my mind, I would say well, no you don't, you know the case is gone, and you know, it preserves the most opportunity in a weird situation, in my opinion, it does what the documents and the law are supposed to do and it keeps people from, you know, getting really upset, so I'll be quiet now.

Ms. Wald: Ok, so I'll answer any other questions, if not, then I just need, as I said, as a collective body from the District, as to how to proceed.

Ms. Papantonis: I mean I agree with the first option personally.

Ms. Wald: I'm sorry Mary, I couldn't hear you, you kind of cut off.

Ms. Papantonis: The first option, I don't know how to consolidate that until you know one sentence.

Ms. Wald: Are you stating that your direction would be to proceed forward with the joint motion to partially abate the proceedings as to the Prime lots only?

Ms. Papantonis: Yes.

Ms. Wald: Ok, and then also if that is granted to proceed with the agreed final judgment of foreclosure only against the tax deed lots.

Ms. Papantonis: Correct.

Ms. Wald: And then if it is denied then is it your position to do what, to go forward with the foreclosure judgment with the bifurcated sale date?

Ms. Papantonis: Yes.

Ms. Wald: Ok, and then we'll see I guess, what the court is going to do, so that's my position. It would probably be wise to and Mary, we can, we can make that into a motion as stated because I think I stated it, and then we can proceed forward with that motion unless anyone else has any questions, and somebody else joined in the meeting, I don't know who it is, but I just wanted to make Rich aware.

Mr. Hans: Yes, and I only see Warren's number and yourself.

Ms. Wald: Ok, no problem.

Mr. Skinner: I motion to proceed as stated.

On MOTION by Mr. Skinner seconded by Mr. Vicent with all in favor, directing District counsel to proceed forward with the Joint Motion to partially abate the proceedings as to the Prime lots only, proceed with joint motion on foreclosure judgment on tax deed lots, if not approved, proceed with final judgment foreclosure of all lots with bifurcated sale date was approved.

Mr. Hans: And Ginger, you can send me the motion so I can put it in the packet for approval in the transcript.

Ms. Wald: The one other thing, the third part that we didn't cover which was fine, would be if the judge then denies, and I don't why it would, but if the judge goes ahead and denies the agreement for the final judgment of foreclosure for the bifurcated sale date, what is the position of the Board in that regard? I don't know what the judge will do, and this is where it's extremely hard for me. Really, the direction I needed is what you took in that regard because of the trustee specifically stating what it wanted to see and your understanding as a Board taking a position contrary thereto and what your responsibilities were. If the judge denies the secondary part, we can proceed forward with an agreed final judgment of foreclosure as to one set of the lots or the other set of the lots. I don't know what the court will do then and we then obviously could go ahead and just submit the final judgement of foreclosure as to all the lots and no bifurcated sale date, if he does not agree to a bifurcated sale date, this is where I run into issues because I have no idea what the court will or will not do.

Ms. Papantonis: So, if it comes to that point, would we be able to just meet for another meeting to discuss?

Ms. Wald: No, that's the problem, we're in trial the issue that we have on Wednesday is it's not a status conference of the court, it is scheduled for trial order of the court and what has been ordered to us specifically as counsel, and me as plaintiff's counsel is to have that proposed final judgement of foreclosure for everything, and if we were having a full trial, you know we have witnesses, Rich would have to testify, but basically the parties agree to the foreclosure and the amounts, it's just how they proceed forward in getting there. So no, you don't have time just to come back, the judge is going to do what the judge is going to do.

Mr. Skinner: What's the alternative?

Mr. Papantonis: So, we can ask for dismissal for a portion of the lots but not all?

Ms. Wald: You can ask for it but, I don't know if the court will agree to it.

Ms. Papantonis: Could we dismiss then in that case the developer lots and then foreclose on the other ones, the tax deed ones?

Ms. Wald: Submitting the final judgment of foreclosure just to the tax deed lots, and dismissing the Prime lots, if any dismissal that occurs, will prevent filing another action because we did go ahead and specifically accelerate the debt. It would be a dismissal of the action then, and then the B bondholders, because the B bonds time period had already expired a while ago, would have no ability at that period of time to collect. There would be some time left on the A bonds Rich, I forget exactly how many years, I know we calculated a while ago, but I don't have it in front of me, I think you would be able to put it back on the tax roll, but that's it but of course, if they keep going to tax deed sale, it's not going to matter one way or another.

Mr. Bloom: I'm not totally sure I agree that the B's would have that they wouldn't have still have rights because of the total and the Statute of Limitations maturity while it occurred something matures but, the money's still owing nevertheless, you know they're going to be the mutual funds are going to go nuts if they have to fight that and again, this is the point that if anything claim to say that the bondholder are no longer owed any money because this goes to dismissal, it's not going to be it's not going to be a happy situation. Which again, is why I think that the judgment would be a deferred time period for the lots that the developer wants more time on his lots, it's fine. It keeps everything alive, you're able to deal with the tax deed lots and you don't have to worry about, you know,

dissension, and you can see if there's something of value there and whatever the money comes from, it would be split pursuant to the bond ownership.

Ms. Wald: Yes, and just to kind of explain one off of that and you're correct, I meant as to following another foreclosure action, when the Statute of Limitations passed, if I wasn't clear, I want to make myself clear.

Mr. Bloom: Yes.

Ms. Wald: Yes, so in that regard, also understanding from the District responsibility, the District still owes the money to the bondholders. The District just doesn't have an ability to get the money from the property owners because their Special Assessments are locked up in this foreclosure action, and that is the way that the District was originally directed to proceed 14 years ago. And so, the District doesn't, how do I phrase this, the District still has that obligation and responsibility regardless, and I think that's what Warren was trying to say is B bondholders, are still owed the money, they just can't force it, we just can't file another foreclosure action on those assessments. That's the point I was trying to make, it's a little convoluted, but that was the point.

Mr. Bloom: Well and yes, and before in the past and things like this have happened it hasn't stopped bondholders from suing a District and trying to impose new assessments on them or do whatever, and then you have to continue to have a default and which makes it very hard for the District to do any development.

Ms. Papantonis: Well, I think if it comes down to it we'll have to just foreclose on the tax deed lots.

Ms. Wald: I'm sorry, Mary, you kind of cut off, it might have been on my end that I couldn't hear.

Mr. Bloom: Same here.

Ms. Papantonis: I think as a third option, if the other first two do not work and and you know we have to kind of see this final option, it would be to dismiss the developer lots and then proceed with the tax deed lots.

Ms. Wald: Is that a motion that you're making?

Ms. Papantonis: Do I have to do it right now, you said we cannot wait and see?

Ms. Wald: Well, no, I'm in court on Wednesday, there is no wait and see.

Ms. Papantonis: Ok, then yes, that's my motion.

On MOTION by Ms. Papantonis seconded by Mr. Vicent with all in favor, authorizing District counsel to move forward with a Third option if the first two don't work, would be to dismiss the developer lots and proceed with the tax deed lots was approved.

Mr. Hans: Anything else we need to do regarding the foreclosure action?

Ms. Wald: No, I will let the District Manager know after I conclude with the court on Wednesday as to what the judge's determination on all the matters that we just discussed today, and he can proceed forward and let the Supervisors know with that after that is received.

Mr. Hans: Ok.

Mr. Bloom: Thank you.

Mr. Hans: Thanks Warren.

Ms. Wald: Thank you, Warren.

SIXTH ORDER OF BUSINESS

Consideration of Engagement Letter with Grau & Associates to Perform the Audit for Fiscal Year Ending September 30, 2024

Mr. Hans then presented the engagement letter with Grau & Associates to perform the audit for fiscal year ending September 30, 2024 and gave a brief explanation of this item. He then asked for any comments or questions, and upon hearing none, asked for a motion to accept the engagement letter.

On MOTION by Mr. Skinner seconded by Mr. Vicent with all in favor, accepting the engagement letter with Grau & Associates to perform the audit for Fiscal Year ending September 30, 2024 was approved.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There not being any, the next item followed.

B. Engineer

There not being any, the next item followed.

C. Property Manager

Mr. Vincent stated he had no report at this time but, would like to request a list of what the CDD is responsible for and what they take care of versus what the HOA is responsible for. Mr. Hans stated he would be able to provide that information to him.

D. CDD Manager

There not being any, the next item followed.

EIGHTH ORDER OF BUSINESS

Financial Reports

A. Approval of Check Run Summary

B. Balance Sheet and Income Statement

Mr. Hans presented the check register and the balance sheet and income statement and asked for any comments or questions. Upon not hearing any, he asked for a motion to accept the financial reports.

On MOTION by Mr. Vincent seconded by Ms. Papantonis with all in favor, the Check Run Summary, and the balance sheet and income statement were approved.

NINTH ORDER OF BUSINESS

Supervisor's Requests and Audience Comments

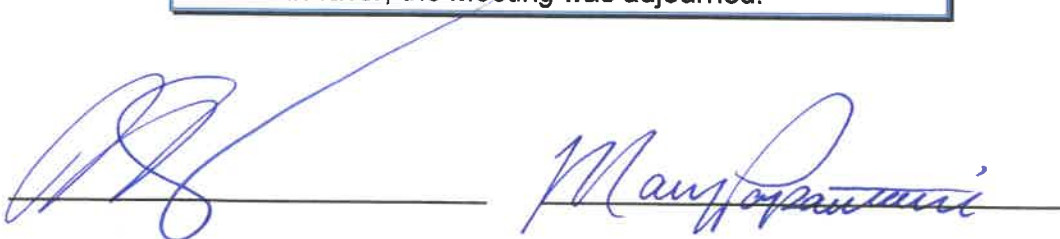
Mr. Hans asked for any Supervisor's requests or audience comments. There were no comments at this time.

TENTH ORDER OF BUSINESS

Adjournment

Mr. Hans asked for a motion to adjourn the meeting.

On MOTION by Mr. Skinner seconded by Mr. Vincent with all in favor, the Meeting was adjourned.

The block contains two handwritten signatures in blue ink. The signature on the left is stylized and appears to be 'MS'. The signature on the right is more legible and appears to be 'Mary Papantonis'. Both signatures are written over a horizontal line.

January 13, 2025

Portofino Vista CDD

Secretary / Assistant Secretary

Chairman / Vice Chairman