



November 23<sup>rd</sup>, 2020

Dear Grand Panama Beach Resort Owner(s):

We hope this letter finds you healthy and well as we head into the holiday season!

Enclosed in this packet, you will find the Board of Directors proposed operating and replacement reserves budget for 2021. Florida condominium law provides that your Board send this budget to all owners for review. A Board meeting will be held at 10:30 a.m. on Wednesday, December 9<sup>th</sup>, 2020 held by Zoom Meeting to approve the 2021 budget. The Meeting Notice is attached in this packet. Owners who have questions about this budget may contact members of the board or the Association Accounting office at 850-235-6647 prior to the meeting.

You will also have a Meeting Notice for the Special Owners Meeting for Wednesday, December 9<sup>th</sup>, 2020 held by Zoom Meeting.

This meeting will involve the Limited Proxy page that includes two (2) separate questions explained below:

**QUESTION 1:** is asking you the homeowner to authorize the Association to purchase all of the units and associated property (excluding certain signage) in the Condominium currently owned by the developer, BNP Investment Properties, LLC for the purchase price of \$2,300,000.00. If you vote "YES" you are authorizing the Association to purchase. If you vote "NO" you are against authorizing the Association for purchase of the developer property. There will need to be no less than 204 "YES" votes to approve the purchase. The Board recommends voting "YES" on this question.

**QUESTION 2:** is in regards to the Reserves funding for FY 2021. The Board has proposed two different budgets to the membership: The first option is to fully fund the reserves which will cause a 6.38% increase in your regular dues for 2021. The second option is to reduce the funding of reserves resulting in keeping your assessments at the current amount, just as we voted and did last year. Your vote shall be cast on which option you prefer on the attached proxy. If you vote "YES" you are voting for partial funding of the reserves and keeping assessments flat. If you vote "NO" you are voting to fully fund the reserves, resulting in a 6.38% increase in your assessments. The Board recommends voting "YES" on this question.

I, the Board of Directors, and the management team are looking forward to another successful year being the premier property on Panama City Beach. I hope you share our excitement for the future of Grand Panama Beach Resort.

Best Wishes, Happy Holidays, and a Prosperous New Year,

Frank Booke

Board President

PROXY

The undersigned, owner(s) or designated voter of Unit No(s) \_\_\_\_\_ of Grand Panama Beach Resort Condominium, a Condominium ("Condominium"), appoints \_\_\_\_\_ or, if no name is filled in, the Secretary of the Grand Panama Beach Resort Condominium Association, Inc., a Florida not-for-profit corporation ("Association"), as my proxy holder to attend the meeting of the members of the Association to be held at 10:00 a.m. (Central Time) on December 9, 2020, at the Resort Collection Association Management Office located at 495 Richard Jackson Boulevard, Panama City Beach, Florida. The proxy holder named above has the authority to vote and act for me to the same extent that I would if personally present, with power of substitution, except that proxy holder's authority is limited as indicated below.

**LIMITED POWERS.** (FOR YOUR VOTE TO BE COUNTED ON THE FOLLOWING ISSUES, YOU MUST INDICATE YOUR PREFERENCE IN THE BLANK(S) PROVIDED BELOW).

I SPECIFICALLY AUTHORIZE AND INSTRUCT MY PROXY HOLDER TO CAST MY VOTE IN REFERENCE TO THE FOLLOWING MATTERS INDICATED BELOW:

1. Do you authorize the Association to purchase all of the units and associated property (excluding certain signage) in the Condominium currently owned by the developer, BNP INVESTMENT PROPERTIES, LLC (collectively "Units"), for the purchase price of \$2,300,000.00, to obtain one or more loans to finance the purchase with one or more lenders chosen by the Board of Directors pledging, among other things, the Units and assessments as collateral, and to sign the required loan documents including but not limited to a Mortgage on the Units, all under such terms and conditions as are acceptable to the Board of Directors?

\_\_\_\_\_ YES \_\_\_\_\_ NO

2. Do you authorize the pooled reserves contemplated by Section 718.112(2)(f) of the Florida Statutes be reduced to and set at \$350,000.00 for the next fiscal year in accordance with the proposed budget previously provided showing such reserve funding?

\_\_\_\_\_ YES \_\_\_\_\_ NO

DATE: \_\_\_\_\_

\_\_\_\_\_  
SIGNATURE(S) OF OWNER(S) OR  
DESIGNATED VOTER

SUBSTITUTION OF PROXY HOLDER

The undersigned, appointed as proxy holder above, designates \_\_\_\_\_ to substitute for me in voting the proxy set forth above.

DATE: \_\_\_\_\_

\_\_\_\_\_  
Signature of Proxy Holder

THIS PROXY IS REVOCABLE BY THE UNIT OWNER AND IS VALID ONLY FOR THE MEETING FOR WHICH IT IS GIVEN AND ANY LAWFUL ADJOURNMENT. IN NO EVENT IS THE PROXY VALID FOR MORE THAN NINETY (90) DAYS FROM THE DATE OF THE ORIGINAL MEETING FOR WHICH IT WAS GIVEN.

**WAIVING OF RESERVES, IN WHOLE OR IN PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED SPECIAL ASSESSEMENTS REGARDING THOSE ITEMS.**

Purchase of Non Residential Property

Condominium Declaration 4.06: Purchase or lease of property

The Association has the power to purchase real estate with the approval of two-thirds (2/3) of the members of the Association.

Required affirmative votes: 305 units-6 non-residential units =  $299 \times \frac{2}{3} = 199$  required affirmative votes.

Votes (noted in December 16, 2020 Minutes) 210 "affirmative" 22 "negative"

Reduction in Reserve Funding for fiscal year 2021

Majority Vote per Florida Statute 305 units X 50% +1 = 154 required affirmative votes

Votes (noted in December 16, 2020 Minutes) 215 "affirmative" 11 "negative"