

Information Regarding Anonymous Email February 2022

1. President keeps trying to paint a picture to "new owners" that property was in disarray before he took over.

When elected in 2017, the incoming board set 5 goals based on the concerns heard from the Grand Panama Owners and continue to work on these goals. The following is the progress report sent to the owners after 6 months.

After six month serving as the Board of Directors, we would like to give you a progress report on the goals we set when we were elected into office.

Financials

- 2018 COA fees have been lowered
- Past due balances have been significantly reduced
- Reserve is fully funded
- Continuing to find ways to reduce unnecessary expenses and would like you to consider getting your monthly statements via email to save handling and postage costs

Maintenance

- Elevator floors have been replaced and plans in place to improve the appearance of the elevator walls
- WiFi network upgraded
- High expectations set for our landscaping company
- Dunes project, with help from owner volunteers, improved appearance as well as education for visitors
- Outstanding maintenance items have been significantly reduced

Parking

- Identified a way to add approximately 50 new parking spots using existing funds to cover expenses. Requests for bids scheduled to go out within two weeks
- Parking pass policy being updated and parking pass coordinators approved in existing budget
- Towing policy to be enforced

Communication

- Set up the gpboard@emeraldviewresorts.com account to facilitate communication between the owners and board of directors
- Updated signage to correctly designate the resort from the rental company
- Implementing a standalone Grand Panama Beach Resort webpage. Scheduled to be complete by July 2018

Staff

- Issued new Grand Panama shirts to clearly identify Grand Panama employees
- Met with all Grand Panama employees to set expectations and to ensure them of our ongoing support
- Added around the clock security

We appreciate your support and look forward to your continued feedback

2. Current Board changed the elevator and pest control companies, which for most part has been disastrous.

After determining there was no preventative nor scheduled maintenance on the elevators, the board agreed to set up a monthly contract with Affinity Elevators in June 1, 2018 and has continued to use this company (purchased by I can't remember the new name) ever since. They were selected because they worked on Otis Elevators.

When the previous pest control contract was getting ready to expire the board asked the management company to solicit three bids as there was several concerns expressed by the owners regarding the service of the existing pest control company service. Extending any contract is based on performance.

3. Concern with the fact that the board chose to misrepresent our income from the sale of parking passes by changing to Security Reimbursement was made to avoid paying sales tax.

The change to Security Reimbursement was made by Resort Collection (our Property Management Company) in their accounting system based on a recommendation from their tax account and tax lawyer in order to maintain consistency across all of their properties. The income is included in our revenue and sales tax is paid.

4. It was never revealed what he gave up in negotiations with 360.

The property 360 purchased had two agreements associated with the purchase from the developer. The first Amended and Restated Ingress/Egress Easement Agreement (dated August 22, 2013, recorded in ORB 3542, page 1867) gave the Grand Panama residents an easement which allowed them to travel across the 360 property from Front Beach Road to Hutchinson Boulevard. The second Amended and Restated Reciprocal Easement Agreement (dated January 28, 2011, recorded at ORB 3308, page 405) gave the 360 owner and occupants the right to enter and exit through the Grand Panama property from Front Beach Road to the 360 property. After consulting with the Association Attorney and working with 360, an agreement was reached where the Grand Panama Owners would still have a vehicle easement through the gated 360 Property with an issued key card and the ability to walk across the property via a new boardwalk. The reciprocal easement agreement was amended to disallow vehicles to exit or enter 360 property through Grand Panama and did allow 360 occupants to exit and enter via the boardwalk Grand Panama Property at the side of Tower. In consideration of this agreement, 360 will deed a piece of their land to Grand Panama to use for additional Grand Panama parking.

5. At the time of the purchase of the property from Clair Pease, there was a personal lawsuit against Frank Boone, Nancy Stovall, Glenn Holliday, Lynn Bush and Shelly Cagle.

The 43 page lawsuit filed was the result of actions taken by the Board regarding inappropriate expenditures of Association money and removal of Association property against the developer and the property management owned by Clair Pease and because of comments made by owners on Grand Panama Owners Facebook page which Clair Pease considered slanderous. Frank, Nancy and Glenn were named in the lawsuit because they were the officers. Because the actions by the board members were in the execution of fiduciary duties, liability insurance for board members covered the lawyer fee after the deductible. The Attorney for Clair Pease insisted the lawsuit be dismissed as a condition of the sale.

6. Concerned about the upcoming insurance settlement. Frank has spoken numerous times of getting more than we need for the repairs.

The insurance adjuster and the public adjuster walked the property and identified what damages were caused by Hurricane Michael. At no time was any board member involved or associated with these discussions. There were some immediate items caused by the Hurricane that needed to be fixed which came out the Grand Panama operating budget before any insurance money was received. With the insurance proceeds, once the items identified and agreed upon by the insurance company are fixed, if there is any residual it will be returned to the Operating Budget to cover the expenses already paid.

7. Frank speaks about being under an NDA frequently. If he is representing us as owners, then we should know what is going on.

As the President of the Board, Frank was given the authorization to negotiate with the purchase of the non-residential property and with the insurance company. NDA was required by Clair Pease as a condition of talking about the Grand Panama Association purchasing the property and it was required by the insurance company in the negotiation of the insurance settlement.