

March 6, 2024

Dear Grand Panama Beach Resort Owner(s),

The Association secured a loan from BanCorp South for \$2,300,000 to purchase six (6) Non-Residential units which are amortized over 30 years at 4.25%. It has a 5-year balloon payment due on December 28, 2025 and the payment would be \$1,902,968.96. The current monthly payment is \$14,317.68 or \$171,812.16 a year. As a proactive measure, the Board of Directors chartered a Non-Residential Unit Loan Payment Option Committee to identify all options for satisfying the balloon payment due. The committee made the recommendation to the Board of Directors to pay off the balloon payment by December 28, 2025 with two proposed options - Option 1: Two lump sum payments, one in October 2024 and one in October 2025, Option 2: A monthly assessment payment starting in April 2024 and continuing until December 2025.

On February 16, 2024 the Board of Directors approved sending to the owners the proposed special assessment of paying off the Non-Residential balloon payment with two lump sum payments from each owner, as identified in the enclosed condo assessment by unit. The first payment will be posted to each owner's account on September 15, 2024 and due on October 01, 2024 and the second payment will be posted to each owner's account on September 15, 2025 and due on October 01, 2025. If an owner desires to pay the special assessment earlier than the scheduled dates, the individual would contact the accounting department at 850-235-6647 or adminca@rcamflorida.com to ensure the funds are properly accounted for and the owner's monthly assessment payment is not affected. In the event there are special assessment funds remaining because the additional funds were applied to the principal and reduced the interest owed, that overage would be considered and treated as common surplus.

As an owner at Grand Panama Beach Resort, you are given the opportunity to review the proposed special assessment. Any questions or clarifications needed can be submitted to gpboard@grandpanamacoa.com. A Board of Directors Meeting has been scheduled for March 29, 2024 at 3PM CT in the Grand Panama Beach Resort Tower 2 Business Center at 11800 Front Beach Road, Panama City Beach, FL 32407 to consider the special assessment.