**AVENTURA BEACH CLUB CONDOMINIUM ASSOCIATION, INC.**
A FLORIDA CORPORATION NOT-FOR-PROFIT
**NOTICE OF *BOARD MEETING TO VOTE ON A SPECIAL ASSESSMENT***

**On Wednesday, August 7th, 2024, at 10:30 AM**, in the **Lobby Lounge**, located at **19201 Collins Avenue, Sunny Isles Beach, FL 33160**, the Board of Directors shall hold a Special Board Meeting to discuss and vote on adopting Special Assessment #7. This assessment, in the amount of SIXTEEN MILLION ONE HUNDRED TWENTY THOUSAND AND 00/100 ($16,120,000.00), is for the non-recurring expenditures listed below.

The approximate amount of each is listed next to the item. The Board intends to pass the Special Assessment, payable in one hundred twenty (120) monthly installments beginning October 1, 2024, with each payment due on the first of each month.

**The Association is currently applying for and hopes to receive a loan for the assessment amount, which will need to be repaid over a 10-year span. This is why the payments can be spread out over a 10-year period. If the Association's loan application is denied, the assessment may need to be paid sooner. However, we are hopeful the loan will be approved, and the payment plan is based on the expectation that a loan will be approved, allowing payment over a 10-year period.**

However, if you sell your unit, the full amount of the Special Assessment must be paid in full at the time of closing.

The Association will also hold the **Board Meeting virtually** to allow Members to participate via Zoom videoconference from their personal devices. **To join the Board Meeting on Zoom**, please visit https://us02web.zoom.us/j/87265068464?pwd=EhjkImY6rFwMrVWg46OADWba2zdXXO.1 and enter the **Meeting ID:** **872 6506 8464** and **Passcode:** **685625**

Please note that all participants will be muted upon joining the meeting to minimize background noise and other interruptions.

**An identification of agenda items is as follows:**

1. Certifying Quorum - Call to Order

2. Proof of Notice of Meeting

3. Vote on whether or not to adopt the $16,120,000.00 special assessment that will be due over 120 months for the specifically delineated items in the attached chart, and estimated to cost as set forth in the attached chart. If passed, each payment will be due monthly starting October 1, 2024.

4. Vote to ratify applying to the bank for a loan in the above amount, and to sign any paperwork required by the bank to obtain the loan, including but not limited to the promissory note. The revised term sheet is attached. No loan has yet been signed or approved, but we are hopeful that this loan will be offered by Popular Bank and closed in September.

5. Adjournment

**BY ORDER OF THE BOARD OF DIRECTORS AVENTURA BEACH CLUB CONDOMINIUM ASSOCIATION, INC.**

Richard Schechter, President

**AVENTURA BEACH CLUB CONDOMINIUM ASSOCIATION, INC.**

**PROJECT BUDGET**

| | |
|---|---|
| ***Pool Deck and Seawall*** | |
| Demolition Work: | $248,000.00 |
| Pool Deck Concrete Restoration | $620,000.00 |
| Pool Deck Waterproofing | $248,000.00 |
| Pool Deck New Finishes | $434,000.00 |
| Pool Shell Restoration | $248,000.00 |
| Seawall Concrete Repairs | $930,000.00 |
| Seawall Waterproofing | $372,000.00 |
| ***Total Pool Deck and Seawall*** | ***$3,100,000.00*** |
| ***Ground Floor / Basement Space (Incl International Room)*** | |
| Structural: Concrete Restoration Sub-Surface work (if necessary) | |
| Sub-Surface work (if necessary) & | |
| ***Total Ground Floor / Basement Space (Incl International Room)*** | ***2,000,000.00*** |
| ***Mechanical and Plumbing*** | |
| Mechanical Common Area & Tower | $800,000.00 |
| Plumbing Common Area & Tower | $600,000.00 |
| ***Total Mechanical & Plumbing*** | ***$1,400,000.00*** |
| ***Fire Life Safety*** | |
| Common Areas | $600,000.00 |
| Tower | $600,000.00 |
| ***Total ELSS*** | ***$1,200,000.00*** |
| ***Electrical Wiring and Breakers & Electrical Panels*** | |
| Common Areas | $700,000.00 |
| Units | $400,000.00 |
| ***Total Electrical Common Areas & Units*** | ***1,100,000.00*** |
| ***Roof Repairs*** | |
| Main Roof - Theatre Roof replacement & Gym | |
| ***Total Roof Repairs*** | ***$1,000,000.00*** |
| ***Soft Costs*** | |
| Engineering | $800,000.00 |
| Permits | $150,000.00 |
| Professional Consultants | $50,000.00 |
| ***Total Soft Costs*** | ***$1,000,000.00*** |
| Contingency | 1,320,000.00 |
| Budget Shortfall | 2,950,000.00 |
| Depository Relationship | 1,050,000.00 |
| | ***$5,320,000.00*** |
| ***Total Special Assesment # 7*** | $16,120,000.00 |

# AVENTURA BEACH CLUB CONDOMINIUM ASSOCIATION, INC.
## SCHEDULE OF PROPOSED SPECIAL ASSESSMENT # 7
## MONTHS BEGINNING OCTOBER 1, 2024

| | |
|---|---|
| **Special Assesment Amount:** | $ 16,120,000.00 |
| **Number of Months to Repay:** | 120 |
| **Fixed Annual Interest Rate:** | 6.85% |

| Unit Type | Percentage Of Unit Ownership | Number of Units | Per Unit Assesment | Total Monthly Payments | Propose Monthly Per Unit | Proposed Monthly Total Per Units Type |
|---|---|---|---|---|---|---|
| 0000-I | 0.0018664 | 509 | $30,086.37 | 120 | $250.72 | $ 127,616.34 |
| COMM-II | 0.0017500 | 1 | $28,210.00 | 120 | $235.08 | $ 235.08 |
| COMM-III | 0.0015000 | 7 | $24,180.00 | 120 | $201.50 | $ 1,410.50 |
| COMM-IV | 0.0010000 | 12 | $16,120.00 | 120 | $134.33 | $ 1,612.00 |
| COMM-IX | 0.0000750 | 11 | $1,209.00 | 120 | $10.08 | $ 110.83 |
| COMM-V | 0.0008750 | 2 | $14,105.00 | 120 | $117.54 | $ 235.08 |
| COMM-VI | 0.0002500 | 19 | $4,030.00 | 120 | $33.58 | $ 638.08 |
| COMM-VII | 0.0002250 | 4 | $3,627.00 | 120 | $30.23 | $ 120.90 |
| COMM-VIII | 0.0002000 | 4 | $3,224.00 | 120 | $26.87 | $ 107.47 |
| COMM-X | 0.0000500 | 20 | $806.00 | 120 | $6.72 | $ 134.33 |
| COMM-XI | 0.0000250 | 2 | $403.00 | 120 | $3.36 | $ 6.72 |
| COMM-XII | 0.0000050 | 26 | $80.60 | 120 | $0.67 | $ 17.46 |
| COMM-XIII | 0.0155474 | 1 | $250,624.09 | 120 | $2,088.53 | $ 2,088.53 |
| | **Total Units** | 618 | | **Monthly Total All Units** | | $ 134,333.33 |
| | | | | | **Total Assessment** | $ 16,120,000.00 |

**IMPORTANT NOTES:**

* The Loan term is 36 months with a fixed interest rate of 6.85%.
* During this period, payments will cover only the interest, with no reduction in the principal balance.
* At the end of the 36 months, the balance will convert to a term loan, with repayment based on an 84-month term and amortization schedule.
* After conversion, payments will include both principal and interest, distributed equally over the term of the loan.

**POPULAR**®
ASSOCIATION BANKING

**TERM SHEET**

*(For Discussion Purposes Only)*

July 16, 2024

Board of Directors
Aventura Beach Club Condominium Association, Inc.
c/o Miami Management, Inc.
19201 Collins Ave
Sunny Isles Beach, FL 33160
Attn: Alberto Velasquez, Property Manager

**Re: Loan Proposal for Aventura Beach Club Condominium Association, Inc.**

Dear Members of the Board,

Thank you for choosing Popular Bank to address your financial needs. It is our understanding that the association is seeking a loan up to **$16,120,000.00** for capital improvements.

**The option we have provided is in consideration of the Borrower maintaining accounts with the Bank in compensating balance account(s) with a minimum average depository relationship of $1,350,000.00 for all credit facilities ($1,050,000.00 for this new credit facility plus the $300,000 for existing credit facilities). The depository relationship directly affects the interest rate of the loan. The terms provided are flexible and other options are available to the Borrower.

We secure our loans to community associations by a collateral assignment and pledge in favor of the Bank of the Borrower's future income, including its right to receive general assessments and any special assessments associated with these project(s).

***The loan is pre-payable in whole or part at any time with no prepayment penalty for principal reductions from internally generated funds sourced from operating or special assessments related to the project or if refinanced with Popular Bank.*** However, prepayments made from any other source, will be subject to the greater of yield maintenance fee or 1% of the principal amount prepaid in accordance with Popular Association Banking's Yield Maintenance practice.

The Borrower is responsible for all of Bank's out of pocket costs, fees and expenses incident including but not limited to Bank's Counsel Fee of $3,450.00, Florida Documentary Stamps of $2,450.00, plus Recording and Miscellaneous Attorney's Fees not to exceed $500.00.

The terms below are based upon our understanding of the association's desired loan structure and are estimates and therefore subject to change; this letter is issued for discussion purposes only.

*Popular Association Banking has already locked interest rates to avoid any additional rate increases prior to closing. However,* ***the loan must close on or before September 13, 2024***.

7920 Miami Lakes Drive West, Miami Lakes, FL 33016
Phone: 800.233.7164 • Fax: 305.821.7284 • www.popularassociationbanking.com
Popular Association Banking, a division of Popular Bank

## POPULAR ASSOCIATION BANKING

**Non-Revolving Line of Credit Facility Converting to a Term Loan**

| | |
|---|---|
| **Line of Credit Amount**: | Up to $16,120,000.00 |
| **Term:** | 36 Months |
| ***Interest Rate:** | **Fixed at 6.85%**, for the term of the Line of Credit, provided the loan is approved and closed by the date specified in this letter. |
| **Repayment:** | Repayment during the line of credit period will consist of interest only payments due monthly. At the conclusion of the line of credit period, the balance will be converted to a term loan with repayment based upon the term option indicated. |
| **Conversion Option:** | The Borrower shall have the right, prior to the expiration of the Line of Credit period, to deliver Fixed Rate Conversion Notices to the Bank. The Borrower shall deliver written instructions to the Bank to authorize the Fixed Rate Conversion, which will be executed by one (1) authorized board member. All loan proceeds advanced shall be maintained in the Borrower's account with the Lender until used as intended for the purpose(s). The depository interest rate provided to the customer will be at the bank's sole discretion. |
| **Term Loan Amount**: | Outstanding principal balance of the Line of Credit up to $16,120,000.00 |
| **Term/Amortization:** | 84 Months/84 Months |
| ***Interest Rate:** | **6.85% fixed rate for 7 years,** provided the loan is approved and closed by the date specified in this letter. |
| **Repayment:** | Repayment to be made in equal monthly principal and interest payments based upon the term and amortization indicated.<br><br>In the event of additional principal curtailments, the Borrower may request a re-amortization of their loan payment, twice per annum at no cost. The purpose of the re-amortization, which results in a change in the payment amount is to reduce the payment amount to fully amortize the remaining principal balance over the remaining term of the loan. Any additional requests to re-amortize the loan will be subject to a fee of $250.00. |
| **Commitment Fee:** | $40,300.00 |

PLEASE NOTE THAT OTHER RATE AND TERM OPTIONS ARE AVAILABLE UPON REQUEST AS THE LOAN IS CUSTOMIZED FOR THE ASSOCIATION.

This letter should not be construed as a commitment letter, but rather as an expression of our interest in providing the financing as outlined above. Approval is subject to the standard underwriting procedures followed by the bank in evaluating the credit of proposed loans to condominium associations.

Thank you for the opportunity to serve your banking needs.

Very truly yours,

Carla D. Ramírez
VP, Commercial Relationship Officer

*All rates quoted are estimates and subject to daily market fluctuation. Rates on loans are generally fixed five days prior to closing, or conversion of the Line of Credit into a Term Facility, unless fixed for the entire term.

**These terms are being offered in consideration of a depository relationship with the Bank. These funds are not considered collateral for the loan; however, at Popular Association Banking we like to have an extended relationship between loans and deposit accounts, it also buys down the interest rate on the loans. Such funds may be utilized as long as a monthly average balance is maintained, or good faith is used by the association to replenish such funds.