

# *Newport Miami Beach Condominium Association, Inc.*

## SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE NEWPORT MIAMI BEACH CONDOMINIUM ASSOCIATION, INC.

December 6, 2022

The Special Board Meeting for the Newport Miami Beach Condominium Association, Inc. was called to order at 9:00 a.m. on Tuesday, December 6, 2022 in the Tiffany Room at 16701 Collins Avenue, Miami Beach, Florida. Rob Webb, Legal Counsel for the Developer was unanimously elected Chairman of the meeting. Mr. Webb called the roll of the Board members present in-person and virtually, which included: Ray Nyhuis, Jorge Friedmann, and Pia Mendez. As such, Mr. Webb declared that there was a quorum and that the Special Meeting was validly called and constituted.

Mr. Gnatt presented the mailing affidavit as well as USPS receipts as proof of timely mailing of the Special Meeting notices. Mr. Webb established that the Special Meeting notice and agenda were timely posted at the Property in advance of the Special Meeting. Further, Mr. Webb certified that the Association's counsel, Ryan Poliakoff, approved the posting of an Amended Agenda on the Property 48 hours in advance of the Special Meeting of the Board.

Mr. Webb made a motion to waive the reading and approval of the meeting minutes of the last regular meeting and proposed that such minutes be approved at the next scheduled Board meeting. There were no objections to such motion.

Mr. Webb next provided an overview of the proposed amendments to the Fourth Amendment of Declaration, the C-PACE Loan, the C-PACE Allocation, the C-PACE Loan Repayment Guaranty, and the authorization necessary to secure and execute such documents and implement the C-PACE Loan.

Mr. Webb opened the floor up to Edward Hurowitz representing the Developer, Five Seas Investors, Inc., to informally summarize C-PACE and its structure.

Mr. Webb then opened the floor to questions.

A question was posed regarding whether timeshare owner assessments will increase as a result of the Association entering into the C-PACE Loan Agreements. Mr. Webb stated that the annual budget and assessments will be discussed at the annual meeting to be held next year; however, that assessments will not increase as a direct result of the C-PACE Loan.

A question was posed regarding the difference between Westgate and current ownership at the Property. Mr. Webb responded to such question by stating that Westgate has since dropped out of timeshare sales at this Property.

A question was posed regarding whether timeshare interests were still being sold at the Property. Mr. Webb responded in the negative, asserting that timeshare interests are only being managed, not sold at the Property currently.

Seeing no other questions, Mr. Webb moved for the Board members to adopt the Fourth Amendment to Declaration. Pia Mendez motioned, with Mr. Nyhuis seconding such motion. With no Board member in opposition, the Fourth Amendment to Declaration was unanimously adopted by the Board.

Mr. Webb provided an overview of the C-PACE Loan Repayment Guaranty, emphasizing that it is an unconditional guaranty to the Association. Mr. Webb moved for the Board members to approve the Association entering into the C-PACE Loan Repayment Guaranty with Five Seas Investors, Inc. Pia Mendez motioned, with Mr. Nyhuis seconding such motion. With no Board member in opposition, the C-PACE Loan Repayment Guaranty was approved.

Mr. Webb next explained how the Board is statutorily vested with authority to conduct affairs on behalf of the Association. As such, Mr. Webb moved for the Board members to approve and grant Mr. Nyhuis a general authorization to sign on behalf of and to commit the Association to all documents in relation to the C-PACE Loan. Pia Mendez motioned, with Mr. Friedmann seconding such motion. With no Board member in opposition, the approval of such authorization was unanimously adopted by the Board.

Mr. Webb then explained the need for the creation of a new bank account for the C-PACE lookback proceeds, a mixture of Association and Developer funds. Such account will be an Association account managed by the Management Company with authority given to Five Seas Investors, Inc. to direct the expenditures from such account to be used solely for improvements to the Property, not to include areas in which the Developer makes a profit: the spa and restaurant. Before taking a motion from the Board, Mr. Webb opened the floor for questions.

A question was raised regarding whether timeshare owners will have to put money from their pockets into this new account. Mr. Webb responded in the negative stating that such funds already have been paid and no new funds will be collected from timeshare owners related to the C-PACE Loan.

Mr. Webb moved for the Board members to approve the new account and the authorization of Five Seas Investors, Inc. to direct expenditures from such account. Pia Mendez motioned, with Mr. Friedmann seconding such motion. With no Board member in opposition, the approval of the bank account and the authorization of Five Seas Investors, Inc. was unanimously adopted by the Board.

Mr. Webb then, as a non-voting matter, made the Board aware that the Developer has proposed for discussion and a vote at a future meeting that the furniture, fixtures, and equipment (FF&E) in the 101 whole units be deemed common elements. The property has been operated as one big property, with no distinction between timeshare and hotel units. As such, the Developer believes that the C-PACE lookback money in the new account should apply updating to the FF&E in the 254 timeshare units as well as the 101 whole units. With no further action required on this Item at the present meeting, Mr. Webb opened the floor for questions.

Seeing no questions from the Board, Mr. Webb inquired as to any old or unfinished business. Seeing none, Mr. Webb inquired as to any new business.

A question was raised regarding when the meeting notices were mailed out. Mr. Webb reiterated, as at the beginning of the meeting, that the notices were mailed out 14 days in advance of the meeting as required by the law and Declaration.

Another question was raised regarding virtual meeting attendance. Mr. Webb stated that virtual meetings are not offered at this time.

Another question was raised regarding the completion of the pool at the Property. Mr. Hurowitz responded that the anticipated date of completion of the pool is by the end of the first quarter 2023.

Seeing no other questions, Mr. Webb adjourned the Special Board Meeting at 10:05 a.m. EST and called for a five minute break before the start of the subsequent Special Meeting of the Association.

  
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Jorge Friedmann, Secretary

12/6/2022  
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Date