Winds of Paradise Owners Association c/o: Prestige Property Management of Brevard, LLC Post Office Box 507 Cape Canaveral, FL 32920 (321) 501-0654 prestigeofbrevard@att.net

August 16, 2023

TO: ALL HOMEOWNERS

FROM: BOARD OF DIRECTORS/MANAGEMENT

Dear Homeowner;

Our community has been hit, as most Floridians have been or will be, with huge increases in our insurance rates. A quick search on Google will provide you with lots of information on the current insurance crisis in our state. In addition, our appraisal for replacement cost had to be updated this year at the request of the insurance agency. That appraisal showed our real property total insurable value went from \$7,265,116 to \$10,364,110. Our insurance last year was \$75,379.89 and now has skyrocketed to \$153,880.00 for this year. Our premium is now double what we paid last year, creating a serious shortfall.

The board has spoken extensively with our insurance agent who attended the board meeting on 8/10/23. Due to the way insurance renewals are only released until just weeks before they are due, we have very little time to organize how to pay for this unexpected deficit, as we are required to insure the property at 100% replacement value.

As such, the board is requesting owner permission to utilize Thirty Thousand Dollars (\$30,000.00) currently held in our reserves account on a temporary basis to make the mandatory down payment that is due no later than August 18, 2023. A special meeting of the Membership is scheduled for Wednesday, August 30, 2023, at 6:00 p.m. for this member vote (we must notice the meeting 14 days in advance). A Board Meeting will follow to pass a special assessment to repay the reserves and have enough to cover the increase in monthly premiums until the end of the year. **The Assessment will be** \$1,424.00 per unit assuming we get the votes to use reserves and will be due 45 days after the date of the meeting, or no later than October 14, 2023. The only other option the Board will have is to "finance" the premiums and be charged 8.350%, or costing the association an additional \$5,864.77. This option will still entail the need for a special assessment to handle the shortfall for the remaining months of this year and the interest due each month. This will also create an additional added cost to our increased monthly dues for next year.

***Attached please find the proxy to vote to allow the board to utilize those reserve funds and approve the special assessment to repay the Reserves and cover the budget deficit through 2023. As time is of the essence, please return this by NOON this Friday 8//18/23---yes in 3 days. We need to know we have 19 affirmative votes to use reserves or we will have to go the financed route and incur the extra costs. You may EMAIL this to Lori at prestigeofbrevard@att.net to ensure the fastest receipt. If you have any issues scanning it, take a photo and email that.

After you send the photo, you can drop your proxy in the clubhouse mailbox or mail it to Lori at the Prestige address above.

As our insurance agent stated at the board meeting, due to the condition of our buildings, we are able to be reinsured. Some communities are being refused due to their condition. Additionally, please understand that the market to obtain insurance has dwindled significantly these past 2 years with no less than a dozen companies pulling out of the state.

In closing, should you have any questions regarding this notice, please contact Lori at prestigeofbrevard@att.net and please remember to QUICKLY return your proxy!

We appreciate your understanding of this very difficult position the Board is in concerning this matter. We are bound by the governing documents and required to insure the property at its full replacement value and we have no other manner in which to pay the premiums.

The amount of the Special Assessment has been determined by the following factors:

\$ 6,325.00 - additional policies paid upfront
\$ 35,052.00 - Oct. Nov. & Dec. payments of \$11,684 each

\$42,427.00 - down payment required to Frontline Insurance

\$ 83,804.00 -Total needed for insurance up to Dec. 31, 2023

Less - \$\frac{\$31,125.00}{}\$ Already budgeted for this year at \$6225 per month for August-Dec. (5 months)

\$ 52,679.00 divided by 37 units =\$1423.75 - rounded to \$1,424.00

Sincerely,

Lori Barrella For the Board

Enclosures:
Insurance proposal
Comparison from last renewal
10 payment plan
Financed Option
Current Assets
Meeting Notices (2)

(Both appraisals are on our website.)

LIMITED PROXY

dersigned	hereby appoir	its: (Check <u>one</u>))				
)		(if you checl	k <u>b</u> , write in the	name of	your Proxy)		
our Proxy ear, repres of Parad 23 in the	* with full po ent and cast vo ise Homeown clubhouse loc	wers of substitution otes upon any maters Association I cated at Winds of	on, for and in the tters on behalf or Members to be Paradise HOA	e names, f the und held at (& by Z(place and stellersigned at the first on the first of the first one of the first of the first one of the firs	ne Special n Wednesd y adjournm	Meeting of lay, August
-				eby spec	ifically instru	et my Proxy	y to cast my
			for the purpose	of payin	g your insura	ance premi	um deficit
		YES			О		
repay th	e Reserves as						
		YES		□ N	O		
		, 20					
of Paradis	se Address:						
		(Signature o	of Designated V	oter)			
		(Print Maili	ng Address)				
			your Proxy in S	Section 1	l is unable to	attend the	meeting.
		appointed to substit	as proxy ute for me in the			hereby	designate
		, 20	_•				
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	Vice-President Section 1 Dur Proxy ar, repress of Parad 23 in the all be a go ory Limit reference Are you as outlined Are your repay the premium of Paradis be used Control of Paradis The	Are you in favor of the repay the Reserves as premium payments? Description of Paradise Address: Description of Paradise Homeown 23 in the clubhouse locall be a general Proxy to 25 ory Limited Powers: Preference to the following as outlined in the coverence of the pay the Reserves as premium payments? Description of Paradise Address: Descri	//ice-President, on behalf of the Board of I	our Proxy,* with full powers of substitution, for and in the ar, represent and cast votes upon any matters on behalf or of Paradise Homeowners Association Members to be 23 in the clubhouse located at Winds of Paradise HOA all be a general Proxy to establish a quorum, with the exceeding Limited Powers: Pursuant to F.S. 720.306(8)a, I here reference to the following matters as instructed: Are you in favor of using the Reserves for the purpose as outlined in the cover letter? WES Are you in favor of the Special Assessment to be leverepay the Reserves as above and to cover the different premium payments? WES YES (Signature of Designated V) (Print Mailing Address) be used ONLY IF the person you list as your Proxy in STITUTION OF PROXY The undersigned, appointed as proxy to substitute for me in the	// (if you check b, write in the name of *section 1	// (if you check b., write in the name of your Proxy) *section 1 our Proxy,* with full powers of substitution, for and in the names, place and ste ar, represent and cast votes upon any matters on behalf of the undersigned at the of Paradise Homeowners Association Members to be held at 6:00 P.M., or 23 in the clubhouse located at Winds of Paradise HOA & by ZOOM and any all be a general Proxy to establish a quorum, with the exception of the items list ory Limited Powers: Pursuant to F.S. 720.306(8)a, I hereby specifically instructed: Are you in favor of using the Reserves for the purpose of paying your insurates as outlined in the cover letter? YES NO Are you in favor of the Special Assessment to be levied in the amount of repay the Reserves as above and to cover the difference in 2023 Budget Department of Paradise Address: (Signature of Designated Voter) (Print Mailing Address) The undersigned, appointed as proxy above, does to substitute for me in the proxy set forth above proxy - 20	//ice-President, on behalf of the Board of Directors, OR (if you check b, write in the name of your Proxy) // Section 1 Our Proxy,* with full powers of substitution, for and in the names, place and stead of the undersigned at the Special of Paradise Homeowners Association Members to be held at 6:00 P.M, on Wednesd 23 in the clubhouse located at Winds of Paradise HOA & by ZOOM and any adjournm all be a general Proxy to establish a quorum, with the exception of the items listed below. Ory Limited Powers: Pursuant to F.S. 720.306(8)a, I hereby specifically instruct my Proxy reference to the following matters as instructed: Are you in favor of using the Reserves for the purpose of paying your insurance premin as outlined in the cover letter? YES

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.

ORIGINAL MEETING FOR WHICH IT WAS GIVEN.
*Failure to check either a) or b), or, if b) is checked, failure to write in the name of the Proxy, shall be deemed an appointment of the Acting Vice President of the Association as your Proxy.

WINDS OF PARADISE OWNERS ASSOCIATION

c/o Prestige Property Mgmt.
PO Box 507 – Cape Canaveral – Florida
321-501-0654 - prestigeofbrevard@att.net

Notice and Agenda Special Meeting of the Membership To be held August 30, 2023 In the clubhouse

6:00 p.m.

This Meeting will be held by Zoom Video Platform conference AND IN PERSON AT THE CLUBHOUSE and is held for the agenda items below. Please join the ZOOM meeting by copying and pasting the link below and entering it on your web browser. You may also attend the meeting by phone by calling into one of the phone numbers listed below. *This Meeting shall start immediately at 6:00 p.m. so please log on/phone in at least 5 minutes prior to the meeting.

Join Zoom Meeting

https://us02web.zoom.us/j/83003810110

Phone in: 1 305 224 1968

Please note: Input will be accepted at the end of the posted agenda. Please remember to keep your comments specific to the agenda and that they last no longer than 3 minutes. The Board estimates this Meeting shall last approximately 50 minutes. Please govern yourself accordingly.

- 1. Call to order
- 2. Establishment of Quorum
- 3. Proof of Notice
- 4. Reading or Waiver of Reading of the Previous Meeting Minutes, if any
- 5. Old Business: None
- 6. New Business:
 - Tally and announce results of proxy question #1 using reserves for other than originally intended for
 - b. Tally and announce results of proxy question #2 special assessment for insurance premiums/repay reserves
- 7. Next Meeting Date: TBD
- 8. Adjournment

WINDS OF PARADISE OWNERS ASSOCIATION

c/o Prestige Property Mgmt.
PO Box 507 – Cape Canaveral – Florida
321-501-0654 - prestigeofbrevard@att.net

Notice and Agenda
Board of Directors
To be held
August 30, 2023
In the clubhouse
6:15* p.m.

This Meeting will be held by Zoom Video Platform conference AND IN PERSON AT THE CLUBHOUSE and is held for the agenda items below. Please join the ZOOM meeting by copying and pasting the link below and entering it on your web browser. You may also attend the meeting by phone by calling into one of the phone numbers listed below. *This Meeting shall start immediately at 6:00 p.m. so please log on/phone in at least 5 minutes prior to the meeting.

Join Zoom Meeting

https://us02web.zoom.us/j/83003810110

Phone in: 1 305 224 1968

Please note: Input will be accepted at the end of the posted agenda. Please remember to keep your comments specific to the agenda and that they last no longer than 3 minutes. The Board estimates this Meeting shall last approximately 50 minutes. Please govern yourself accordingly.

- 1. Call to order
- 2. Establishment of Quorum
- 3. Proof of Notice
- 4. Reading or Waiver of Reading of the Previous Meeting Minutes, if any
- 5. Old Business: None
- 6. New Business:
 - a. Tally and announce results of proxy questions
 - b. Levy Special Assessment
- 7. Next Meeting Date: TBD
- 8. Adjournment

Winds of Paradise Owners Association

Lori Barella 321-501-0654

**Current Values

	2022-2023				2023-2024		
Property	\$	68,916.55	Property	\$	103,091.95		
GL	\$	2,710.14	GL*	\$	2,650.42		
Crime	\$	555.14	Crime		inc w/D&O		
D&O	\$	1,982.76	D&O	\$	2,219.33		
Excess Liabilit	\$	1,215.26	Excess Liability	\$	1,455.00		
Total	\$	75,379.85	Total	\$	109,416.70		
		1	Difference	\$	34,036.85		

*Includes Paid in Full Discount

**Estimated with Appraised Values

	<u>202</u>	22-2023		<u>20</u>	23-2024
Property	\$	68,916.55	Property	\$	147,565.00
GL	\$	2,710.14	GL*	\$	2,650.42
Crime	\$	555.14	Crime		inc w/D&O
D&O	\$	1,982.76	D&O	\$	2,219.33
Excess Liabilit	\$	1,215.26	Excess Liability	\$	1,455.00
Total	\$	75,379.85	Total	\$	153,889.75
			Difference	\$	78,509.90

^{*}Includes Paid in Full Discount



Winds of Paradise Owners Association, Inc. c/o Prestige Property Management Cape Canaveral, FL 32920 (2023-2024)

Property (Frontline Ins)

Estimated Premium using 2023 Appraisal
Real Property Total Insurable Value \$10,364,110

Replacement Cost / Special Form / Co-Ins: Agreed Amount Ordinance or Law Coverage: Full A, Combined B/C 2.5%

Equipment Breakdown Coverage Excluded

Deductibles \$5,000 All Other Perils

2% Calendar Year Hurricane

Yearly Premium: \$147,565.00

General Liability (Southern-Owners)

 General Aggregate
 \$2,000,000

 Products Aggregate
 \$1,000,000

 Pers. & Advertising
 \$1,000,000

 Each Occurrence
 \$1,000,000

 Hired/Non-Owned
 \$1,000,000

Yearly Premium: \$2,650.42

(Paid in Full Discount)

Crime (CNA)

\$120,000 Subject to \$1,200 Deductible

Packaged with D&O

Directors & Officers (CNA)

Each Loss \$1,000,000
Each Policy Year \$1,000,000
Deductible \$2,500

Yearly Premium: \$2,219.33

Excess Liability (Greenwich Ins)

General Aggregate \$5,000,000 Each Occurrence \$5,000,000

Yearly Premium: \$1,455.00

Total Yearly Premium: \$153,889.75

Winds of Paradise Owners Association, Inc. Balance Sheet As of August 14, 2023

	Aug 14, 23
ASSETS Current Assets Checking/Savings Reserve Account Sunrise Reserve	101,786.08
Total Reserve Account	101,786.08
Operating Account Sunrise Operating	42,178.91
Total Operating Account	42,178.91
Total Checking/Savings	143,964.99
Accounts Receivable Accounts Receivable	125,158.26
Total Accounts Receivable	125,158.26
Total Current Assets	269,123.25
TOTAL ASSETS	269,123.25
Equity Reserves Reserve Funds R-Reserve Interest R-Roofs R-Pool-Resurfacing/Tile/D R-Pool - Fencing & Gates R-Pavement - Sealcoat R-Pavement - Asphalt Over R-Painting Reserve R-Clubhouse Reserve	1,507.34 35,526.80 32,419.72 5,792.08 2,873.35 2,335.21 16,752.88 4,578.70
Total Reserve Funds	101,786.08
Total Reserves	101,786.08
Opening Balance Equity Unrestricted Net Assets Net Income	228,819.63 -78,178.99 16,696.53
Total Equity	269,123.25
TOTAL LIABILITIES & EQUITY	269,123.25

Frontline Insurance

PAYMENT PLAN OPTIONS:

Note: Dates and amounts shown are approximations. \$2.00 installment charge is included per installment below.

ar inderiv		INVOIGE DATE:	DUE DATE
1	\$147,565.00	8/21/23	
	¹ Para Para Para Para Para Para Para Par	INVOICE DATE	DUEDATE
1	\$77,472.86	8/21/23	·
2	\$70,094.15	1/21/24	2/15/24
	AMOUNTINE	INVOIGE DATE.	DUEDATE
f	\$42,426.79	8/21/23	
2	\$35,048.07	10/21/23	11/15/23
3	\$35,048.07	1/21/24	2/15/24
4	\$35,048.07	4/21/24	5/16/24
Jaga Maria (1975)	AN CHARLES ANOUNT FUE OF MALE	INVOICEDATE.	DUE DATE A
1	\$42,426.79	8/21/23	
2	\$15,021.75	9/21/23	10/16/23
3	\$15,021.75	10/21/23	11/15/23
4	\$15,021.75	11/21/23	12/16/23
5	\$15,021.75	12/21/23	1/15/24
6	\$15,021.75	1/21/24	2/15/24
7	\$15,021.75	2/21/24	3/17/24
8	\$15,021.75	`3/21/24	2/27/00
CONTROL OF THE	AMOUNTOUR .	INVOIGE DATE	CONTROL DUE DATIES
1	\$42,426.79	³ μ# 8/21/23	
2	\$11,684.02	9/21/23	10/16/23
3	\$11,684.02	10/21/23	11/15/23
4	\$11,684.02	11/21/23	12/16/23
5	\$11,684.02	12/21/23	1/15/24
6	\$11,684.02	1/21/24	2/15/24
7	\$11,684.02	2/21/24	3/17/24
8	\$11,684.02	3/21/24	4/15/24
9	\$11,684.02	4/21/24	5/16/24
10	\$11,684.02	5/21/24	6/14/24

LENDER:

PREMIUM FINANCE AGREEMENT

450 Skokie Blvd, Ste 1000

☐ Personal ☐ Commercial ☐ Additional Premium

Northbrook, IL 60062-7917 P:(800) 837-3707 F:(800) 837-3709 www.firstinsurancefunding.com

FIRST INSURANCE.

A WINTRUST COMPANY

Quote #: 53598306

INSURED/BORROWER	Customer ID: N/A	AGENT or BROKER
(Name and Address as shown on Policy)		(Name and Business Address)
Winds of Paradise		AssuredPartners of Florida, LLC
1240 Beachside Lane		DBA: Ranew Insurance Agency
Indialantic, FL 32903		966 S WICKHAM RD
		SUITE 102
		WEST MELBOURNE, FL 32904

LOAN DISCLOSURE

Total Premiums, Taxes, and Fees	Down Payment	Unpaid Balance	Documentary Stamp Tax (only applicable in Florida)	Amount Financed (amount of credit provided on your behalf)	FINANCE CHARGE (dollar amount the credit will cost you)	Total of Payments (amount paid after making all scheduled payments)	ANNUAL PERCENTAGE RATE (cost of credit as a yearly rate)
151,239.33	12,855.34	138,383.99	484.40	138,868.39	5,864.77	144,733.16	8.350%

YOUR PAYMENT SCHEDULE WILL BE: Mail Payments to: FIRST Insurance Funding, PO Box 7000, Carol Stream, IL 60197-7000

Number of Payments	Amount of Each Payment	First Installment Due	9/21/2023
11	13,157.56	Installment Due Dates	21st (Monthly)

Certain information contained in the Loan Disclosure section may change in accordance with Section 19 of this Agreement. INSURED'S AGREEMENT:

- 1. SECURITY INTEREST. INSURED/BORROWER ("Insured") grants and assigns FIRST Insurance Funding, A Division of Lake Forest Bank & Trust Company, N.A. ("LENDER") a first priority lien on and security interest in the financed policies and any additional premium required under the financed policies listed in the Schedule of Policies, including (a) all returned or unearned premiums, (b) all additional cash contributions or collateral amounts assessed by the insurance companies in relation to the financed policies and financed by LENDER hereunder, (c) any credits generated by the financed policies, (d) dividend payments, and (e) loss payments which reduce unearned premiums (collectively, the "Financed Policies"). If any circumstances exist in which premiums related to any Financed Policy could become fully earned in the event of loss, LENDER shall be named a loss-payee with respect to such policy.
- 2. FINANCE CHARGE. The finance charge begins accruing on the earliest effective date of the Financed Polices. The finance charge is computed using a 365-day calendar year.
- 3. LATE PAYMENT. For commercial loans, a late charge will be assessed on any installment at least 5 days in default, and the late charge will equal 5% of the delinquent installment or the maximum late charge permitted by law, whichever is less. For personal loans, a late charge will be assessed on any installment 10 days in default, and the late charge will be the lesser of \$10 or 5% of the delinquent installment.
- 4. PREPAYMENT. If Insured prepays the loan in full, Insured is cutitled to a refund of the unearned finance charge computed according to the Rule of 78s.

SCHEDULE OF POLICIES

Policy Number	Full Name of Insurance Company and Name of General Agent or Company Office to Which Premium is Paid	Coverage	Policy Term	Effective Date	Premiums, Taxes and Fees	
4632864122	C02952-FRONTLINE INSURANCE UNLIMITED CO. [CX:0] [90%PR]	PROP		8/21/2023 ERN TXS/FEES FIN TXS/FEES	147,565.00 0.00 0.00	
618877186	C01016-CNA INSURANCE COMPANIES G00270-IAN H. GRAHAM, INC. [CX:0] [90%PR]	CRME		8/21/2023 ERN TXS/FEES FIN TXS/FEES	2,219.33 0.00 0.00	
(Policies continu	(Policies continued on next page.)					

Q# 53598306, PRN: 081123, CFG: A06319, RT: ASSUREDPARTNERS-CONDO, DD: N/A, BM: ACH, Qtd For: A06319 Original, Memo 0

- 5. PROMISE TO PAY. In consideration of the premium payment by LENDER to the insurance companies listed in the Schedule of Policies (or their authorized representative) or the Agent or Broker listed above, Insured unconditionally promises to pay LENDER, the Amount Financed plus interest and other charges permitted under this Agreement, including the Down Payment if owed and payable directly to LENDER, subject to all the provisions of this Agreement.
- 6. POWER OF ATTORNEY. INSURED IRREVOCABLY APPOINTS LENDER AS ITS "ATTORNEY-IN-FACT" with full power of substitution and full authority, in the event of default under this Agreement, to (a) cancel the Financed Policies in accordance with the provisions contained herein, (b) receive all sums assigned to LENDER, and (c) execute and deliver on behalf of insured all documents relating to the Financed Policies in furtherance of this Agreement. This right to cancel will terminate only after all of Insured's indebtedness under this Agreement is paid in full. Insured is responsible for repayment of the Amount Financed plus interest and other charges permitted under this Agreement, including the Down Payment if owed and payable directly to LENDER, irrespective of whether LENDER exercises this right to cancel the Financed Policies.
- 7. SIGNATURE & ACKNOWLEDGEMENT. Insured has received, reviewed, and signed a copy of this Agreement. By signing below, you certify that you have the requisite authority to (a) enter into this Agreement on behalf of Insured (if applicable, including as agent, trustee, executor, or otherwise in a representative capacity) and any other insureds named on the Financed Policies, and (b) jointly and severally agree on behalf of all insureds named on the Financed Policies to all provisions set forth in this Agreement. Insured acknowledges and understands that entry into this financing arrangement is not required as a condition for obtaining insurance coverage.

NOTICE TO INSURED: (1) Do not sign this Agreement before you read both pages of it, or if it contains any blank space. (2) You are entitled to a completely filled-in copy of this Agreement. (3) You have the right prepay the loan in full and receive a refund of any unearned finance charge. (4) Keep a copy of this Agreement to protect your legal rights. (5) See last page of Agreement for your consent to electronic statement and notice delivery.

Teleformanno e 100 a			
Signature of Insured or Authorized Agent	Date	Signature of Agent	Date