DAYTONA BEACH RESORT AND CONFERENCE CENTER CONDOMINIUM ASSOCIATION, INC.

April 12, 2024

Dear Owners,

We are excited to provide you with additional information regarding the ongoing discussions between the Association and Daytona Beach Resort, LLC, the Developer of the Daytona Beach Resort property.

As we've previously notified you, we attended a mediation conference with the Developer on March 28th. The end result was a settlement of all issues between the Association and the Developer, subject to the approval of the membership, and final execution of binding agreements.

While Florida law prevents us from disclosing all the details of the transaction at this time until a final settlement agreement has been signed, we have negotiated a deal that essentially resolves the historical battles between the Association and the Developer as to the responsibility for Developer-retained portions of the property. The end result of the planned settlement will be a more traditional form of condominium, with the Association owning the property's more traditional common areas (and the Developer retaining the commercial areas). Without this settlement, the Developer retained as its own property the more traditional common areas, but allocated to the Association certain maintenance expenses under an easement agreement. Many of the disputes between the Association and the Developer were over the rights and obligations of the parties under the easement agreement.

The legal teams for both the Association and the Developer are working hard to draft the large number of documents necessary to move this settlement forward. When legally allowed to do so, these documents and the major deal terms will be discussed by the Board at open meetings, at which the involvement and participation of the members is both necessary and welcome. It is our belief that this proposed settlement, as negotiated, will resolve the ongoing disputes with the Developer and will promote a harmonious co-existence between both parties. Most importantly, the Association will own (and be able to reopen) the parking garage, amenities, and other portions of the property that have historically been subject to legal proceedings.

We hope that you will continue to support the Board in its endeavors, and that you will vote at the appropriate time in favor of this settlement.

With thanks,

The Board of Directors
Daytona Beach Resort and Conference Center Condominium Association, Inc.