



3671 Webber Street
Sarasota, FL 34232

August 25, 2026

Dear Former Longboat Bay Club Owners,

On August 13, 2026, the Longboat Bay Club Condominium Association, Inc. completed the sale of the Longboat Bay Club property to Longboat Bay Development LLC for \$7,950,000 in an all-cash transaction. The property was sold in its entirety to a single purchaser, allowing proceeds to be distributed to all eligible owners through one coordinated process rather than through individual unit sales over several years.

The closing occurred later than the May 14, 2026 date previously anticipated, and the final purchase price was below the approximate \$8.5 million figure referenced in our prior communication. We want to explain why.

During the marketing and due diligence periods, Sarasota-area condominium inventory remained elevated, condominium values declined, and properties took longer to sell. Florida's revised reserve-funding and milestone-inspection requirements also caused buyers to more closely evaluate the capital and insurance risks associated with older coastal properties. These conditions, combined with the limited number of qualified all-cash purchasers for an entire barrier-island resort, affected the final transaction.

The purchaser's due diligence also identified property conditions not fully reflected in the original price, including the removal and regulatory clearance of the resort's obsolete emergency generator. The Board negotiated the proposed adjustments through six rounds rather than accepting them as presented. Ultimately, the purchaser assumed responsibility and liability for the generator removal, the brokerage commission was reduced from 7% to 4%—retaining \$238,500 for the distribution pool—and the purchaser contributed an additional \$50,000 toward closing costs.

The Board determined that completing the transaction was in the owners' best interests. Returning the property to market offered no assurance of a better result and would have required owners to continue bearing the Association's insurance, operating, and other carrying costs.

DISTRIBUTION PROCESS

With the sale complete, the Association has entered its final phase, which includes:

- Reconciling ownership records and account balances;
- Paying remaining Association obligations;
- Completing the final accounting of sale proceeds and Association funds;
- Preparing required tax documentation; and
- Distributing the remaining proceeds to eligible owners.

The Association and its management company have confirmed that Global Point Closing Services, Inc. ("GPCS"), the Association's appointed escrow and distribution agent, **expects to begin issuing distributions during the week of October 5, 2026.**

Checks will be issued as individual ownership records, account balances, and tax forms are verified. Accordingly, owners will not all receive their distributions on the same day. Owners whose files and required tax documentation are complete will be processed first.

We understand that receiving your funds is important, and please know that we are working diligently to complete this process accurately and efficiently. **You will receive further updates as we progress through distribution.**



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TAX FORM REQUIREMENT FOR DISTRIBUTION

A valid tax form must be on file before a distribution can be issued. If you have not submitted the required form, please do so as soon as possible to avoid delaying your distribution.

U.S. residents: A W-9 form must be completed before any distribution check can be issued. All fields, including your Social Security Number, are mandatory. Only one W-9 form is required per household. If co-owners listed on the same deed do not live together or file taxes separately, each must complete a separate W-9.

Foreign owners (including Canada): FIRPTA (Foreign Investment in Real Property Tax Act) requires foreign sellers of U.S. real estate to pay tax on any gains from the sale. Global Point Closing Services, Inc. ("GPCS"), the Association's appointed escrow and distribution agent, is required to withhold necessary taxes under FIRPTA and remit them to the IRS. We encourage foreign owners to consult their tax professional. Withholding is a standard IRS requirement for foreign sellers and does not necessarily reflect your final tax liability.

How to submit your form:

- **Secured Online Submission (Preferred):** Complete your form securely at <https://qrco.de/bgnK1L>
- **Download a blank W-9 directly from the IRS:** <https://www.irs.gov/pub/irs-pdf/fw9.pdf>
- **By Mail:** Send your completed form to:
Global Point Closing Services, Inc. c/o Longboat Bay Club
Attn: Stefanie Bayse
122 North Laurel Drive, Clarksville, GA 30523,

To request that a blank form be mailed to you, contact lbbcsupport@vacationfla.com.

For your security, do not email a completed W-9 or W-8 form. Completed forms should be submitted through the secure online portal or by mail only.

WHAT HAPPENS NEXT

- Ownership records and account balances will be reconciled against the Association's records.
- A final accounting of closing proceeds, operating and reserve funds, and remaining wind-down expenses will be completed.
- Distributions will be released to eligible owners once reconciliation is complete and a valid tax form is on file for the owner of record.
- The Association will complete its remaining corporate, tax, and dissolution steps.

We appreciate your patience as these steps are completed. Because the reconciliation, tax reporting, and wind-down work must be finished in sequence, we are not able to commit to a specific distribution date at this time. We will provide updates as each stage is completed.



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QUESTIONS AND CONTACT INFORMATION

Because the property has been sold, there are no longer any on-site staff or in-person resort operations available to assist owners. Please direct all questions regarding the sale, distributions, or the Association's wind-down to lbbcsupport@vacationfla.com. Please include your name, interval or unit information, and current contact details.

The official website for documents, notices, and information related to the Longboat Bay Club Timeshare Plan termination remains <https://lbbcvacationfla.com/>. For general owner information and frequently asked questions, please visit www.longboatbayclub.com. If your question is not answered there, please submit it in writing so it can be reviewed and, when appropriate, added to the FAQ.

Thank you for your continued patience and cooperation. Longboat Bay Club has been the setting for years of cherished memories, and we are honored to manage this final chapter on your behalf.

Sincerely,

Pam Merrick

Pam Merrick, President

Longboat Bay Club Condominium Association, Inc.