

PROSPECTUS (OFFERING CIRCULAR)

FOR

500 ATLANTIC CONDOMINIUM

Daytona Beach, Florida

- 1. THIS PROSPECTUS (OFFERING CIRCULAR) CONTAINS IMPORTANT MATTERS TO BE CONSIDERED IN ACQUIRING A CONDOMINIUM UNIT.**
- 2. THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES, ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS, AND SALES MATERIALS.**
- 3. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. REFER TO THIS PROSPECTUS (OFFERING CIRCULAR) AND ITS EXHIBITS FOR CORRECT REPRESENTATIONS.**

## Summary

**PURCHASERS OF UNITS IN THE CONDOMINIUM WILL RECEIVE A FEE SIMPLE INTEREST THEREIN PLUS AN UNDIVIDED INTEREST IN THE COMMON ELEMENTS APPURTENANT THERETO.**

(See Paragraph 1 of the Purchase Agreement - Exhibit "C" to this Prospectus)

**THE DEVELOPER HAS THE RIGHT TO RETAIN CONTROL OF THE CONDOMINIUM ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD.**

(See Article II of this Prospectus and Article IV of the Bylaws - Exhibit "3" to the Declaration)

**THE SALE, LEASE OR TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED.**

(See Sections 19 and 20 of the Declaration - Exhibit "A" to this Prospectus)

**THERE IS TO BE A CONTRACT FOR THE MANAGEMENT OF THE CONDOMINIUM PROPERTY WITH (NAME OF MANAGING COMPANY).**

(See Section 12 of the Declaration - Exhibit "A" to this Prospectus; and Exhibit "H" to this Prospectus)

**THE BUDGET CONTAINED IN THIS OFFERING CIRCULAR HAS BEEN PREPARED IN ACCORDANCE WITH THE CONDOMINIUM ACT AND IS A GOOD FAITH ESTIMATE ONLY AND REPRESENTS AN APPROXIMATION OF FUTURE EXPENSES BASED ON FACTS AND CIRCUMSTANCES EXISTING AT THE TIME OF ITS PREPARATION. ACTUAL COSTS OF SUCH ITEMS MAY EXCEED THE ESTIMATED COSTS. SUCH CHANGES IN COST DO NOT CONSTITUTE MATERIAL ADVERSE CHANGES IN THE OFFERING.**

(The Budget is attached as Exhibit "B" to this Prospectus)

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PROSPECTUS (OFFERING CIRCULAR)

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I. Description Of The Condominium:

500 ATLANTIC CONDOMINIUM ("Condominium") is a mixed-use residential and commercial condominium being developed in the City of Daytona Beach, Volusia County, Florida. The Condominium has been or shall be created pursuant to the terms, conditions and restrictions of the Declaration of Condominium attached hereto as Exhibit "A" and as may be amended from time to time ("Declaration"). The Condominium shall consist of one (1) building, and shall contain a minimum of 164 units and a maximum of 165 units. All residential units will contain a minimum of 1 bedroom and 1 bathroom and a maximum of 4 bedrooms and 4 bathrooms. All of the residential units shall be located on the 2nd through 30th floors of the building. There are eight floors containing parking spaces for the building. There is one commercial unit on the Street Level of the building. The plot plan, survey and condominium drawings and floor plans are made a part of this Prospectus (Exhibit 1 to the Declaration).

A unit shall consist of that part of a building containing such space that lies within certain upper boundaries, lower boundaries and perimetrical boundaries which are set forth in Section 3.2 of the Declaration. An undivided interest in the common elements and common surplus shall be appurtenant to each unit.

Subject to unforeseen delays beyond the control of Developer, the estimated latest date of completion of constructing, finishing and equipping the units of the Condominium is January 28, 2023. The date of completion for the units is an estimate only and subject to sales performance or building delays.

II. General Information Applying to Condominiums:

**PURCHASERS OF UNITS IN THE CONDOMINIUM WILL RECEIVE A FEE SIMPLE INTEREST THEREIN PLUS AN UNDIVIDED INTEREST IN THE COMMON ELEMENTS APPURTENANT THERETO.**

The form of Purchase Agreement is attached hereto as Exhibit "C." See Exhibit "D" hereto for the terms and conditions of the Escrow Agreement referred to in Paragraph 1 of said Purchase Agreement.

Notwithstanding anything herein to the contrary, in the event that Developer has been unable to obtain purchase agreements for fifty percent (50%) of the units of the Condominium within 180 days from the date the first purchaser signs a purchase agreement for a unit of the Condominium, the Developer may unilaterally terminate all purchase agreements without prior notice, in which event the Developer shall refund to purchasers all deposits.

The Developer's plan does not include a program of leasing units.

**THE DEVELOPER HAS THE RIGHT TO RETAIN CONTROL OF THE CONDOMINIUM ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD.**

If unit owners other than the Developer, own 15 percent or more of the units in a condominium that will be operated ultimately by an association, the unit owners other than the developer are entitled to elect at least one-third of the members of the board of administration of the association. Unit owners other than the Developer are entitled to elect at least a majority of the members of the board of administration of an Association upon the first to occur of any of the following events: (a) three years after 50 percent of the units that will be operated ultimately by the association have been conveyed to purchasers; (b) three months after 90 percent of the units that will be operated ultimately by the association have been conveyed to purchasers; (c) when all the units that will be operated ultimately by the Association have been completed, some of them have been conveyed to purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business; (d) when some of the units have been conveyed to purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business; (e) when the Developer files a petition seeking protection in bankruptcy; (f) when a receiver for the Developer is appointed by a circuit court and is not discharged within 30 days after such appointment, unless the court determines within 30 days after appointment of the receiver that transfer of control would be detrimental to the association or its members; or (g) seven years after the date of the

recording of the certificate of a surveyor and mapper pursuant to s. 718.104(4)(e) or the recording of an instrument that transfers title to a unit in the condominium which is not accompanied by a recorded assignment of Developer rights in favor of the grantee of such unit, whichever occurs first; or, in the case of an association that may ultimately operate more than one condominium, 7 years after the date of the recording of the certificate of a surveyor and mapper pursuant to s. 718.104(4)(e) or the recording of an instrument that transfers title to a unit which is not accompanied by a recorded assignment of developer rights in favor of the grantee of such unit, whichever occurs first, for the first condominium it operates; or, in the case of an association operating a phase condominium created pursuant to s. 718.403, 7 years after the date of the recording of the certificate of a surveyor and mapper pursuant to s. 718.104(4)(e) or the recording of an instrument that transfers title to a unit which is not accompanied by a recorded assignment of developer rights in favor of the grantee of such unit, whichever occurs first. The Developer is entitled to elect at least one member of the board of administration of an association as long as the developer holds for sale in the ordinary course of business at least 5 percent, in condominiums with fewer than 500 units, and 2 percent, in condominiums with more than 500 units, of the units in a condominium operated by the association. After the developer relinquishes control of the association, the developer may exercise the right to vote any developer-owned units in the same manner as any other unit owner except for purposes of reacquiring control of the association or selecting the majority members of the board of administration.

### **THE SALE, LEASE OR TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED.**

The provisions governing such restriction and control are set forth in Section 19 of the Declaration. All unit owners taking title to a Condominium Unit acknowledge receipt of the Condominium documents and accept their unit subject to the terms, conditions, restrictions, obligations and other terms thereof and specifically acknowledge that a valid sale, conveyance or transfer of the respective unit can only be made upon compliance with the conditions for approval and notice set forth in said Section 19.

The following recreational and other commonly used facilities, which are owned by the Condominium Association, shall be available for use by Owners of Condominium Units and their respective family members, tenants and occasional social guests. The maximum number of Units that will use the below common facilities is 164.

Ocean Beach Club is located on Floor 1 of the Condominium and contains the following:

- A. Heated Swimming Pool, rectangular in shape, approximately 1,024 sq. ft. in area, holding 29,920 gallons, ranging in depth from 3 to 4 feet and having a bathing load of 33 persons;
- B. There will be decking surrounding the pool of approximately 5,249 sq. ft. in size and having an approximate capacity of 60 persons,
- C. Ocean Club House Lounge area of approximately 1,966 sq. ft. in area, having a capacity of 65 persons; containing sofa, tables and chairs and large screen television;
- D. Media Center of approximately 189 sq. ft., having a capacity of 6 persons, containing book shelves and tables and chairs;
- E. Separate bathrooms for men and women;
- F. Storage Areas.

Amenities are located on Floor 9 of the Condominium and contains the following:

- A. Heated Swimming Pool (rectangular) containing 600 sq. ft., holding 17,952 gallons, ranging in depth from 3 feet to 4 feet and having a bathing load of 18 persons;
- B. A spa or hot tub which will contain approximately 360 gallons, has a surface area of 16 sq. ft. and a perimeter of 16 linear feet, and a bathing load of 4 persons;

C. There will be decking surrounding the pool and spa of approximately 7,550 sq. ft. in size and having an approximate capacity of 100 persons

D. Fitness Center of approximately 2,379 total sq. ft. in size, having an approximate capacity for 24 people, will contain the following equipment:

- 4 Treadmills
- 2 Ellipticals
- 1 AMT
- 1 Recumbent Bike
- 2 Stationary Bikes (interactive)
- 1 Aviron Rower (interactive)
- 1 Seated Leg Curl
- 1 Leg Extension
- 1 Leg Press
- 1 Abdominal
- 1 Lateral Pulldown
- 1 Chest Press
- 1 Bicep Curl
- 1 Triceps Extension
- 1 Plate Loaded Smith Press & Plate Weights
- 1 Functional Trainer (FTS Glide)
- 3 Benches
- 1 Escape hit Hub
- Various Training Accessories (medicine balls, kettlebells, slam balls, Dumbbells, battle rope, dip bar)

E. Lounge/Lobby of approximately 972 sq. ft., has a capacity of 32 persons and will contain a separate pantry and juice bar areas; and will contain sofas, tables, chairs and large screen television;

F. Two Game Room areas of approximately 400 sq. ft. and 400 sq. ft. respectively, each having a capacity of 13 persons, containing a mixture of game consoles and gaming tables;

G. Library of approximately 332 sq. ft. containing book shelves, tables and chairs, and has a capacity of 11 persons;

H. Yoga/Dance Studio of approximately 468 sq. ft., having a capacity of 15 persons;

I. Work Area/Message Center of approximately 969 sq. ft., containing computers, tables and chairs, has a capacity of 32 persons;

J. Massage Rooms (2), approximately 89 sq. ft. each, and each having a capacity of 2 persons;

K. Separate bathrooms for men and women (2 each), and each having a capacity of 5 persons per bathroom.

It is Developer's intention to complete these recreational facilities not later than January 28, 2023.

See Exhibit "1" to the Declaration of Condominium for drawings of all recreation and fitness facilities contained on Floors 1 and 9 of the Condominium.

III. The Association:

The 500 Atlantic Condominium Association, Inc., a Florida not-for-profit corporation ("Association"), has been incorporated pursuant to the laws of the State of Florida. A copy of the Articles of Incorporation and the By-Laws for the Association may be found at Exhibit Nos. 3 and 4, respectively, to the Declaration. The purpose of the Association is to provide an entity pursuant to the Florida Condominium Act for the operation of the Condominium. The powers of the Association are set forth in Article 3 of the Articles of Incorporation. Such powers shall include the authority to levy and enforce collection of assessments and levy administrative fees and impose fines for violations by unit owners in accordance with Sections 13 and 14 of the Declaration and the Florida Condominium Act and to perform such other duties as are expressly or impliedly given to a condominium association by its articles of incorporation, by-laws and the laws of the State of Florida. All unit owners (including the Developer as to unsold units) shall automatically be members of the Association.

IV. Restrictions on Use and Occupancy:

Restrictions apply to the use and occupancy of the units in the Condominium, and there are rules and regulations applying to the conduct of the unit owners, their families, guests and invitees. Such restrictions, rules and regulations are referred to subsequently in this Prospectus (Offering Circular) and are set forth in more detail in Section 18 of the Declaration and in Article XVII of the By-Laws, which may be found at Exhibit No. 3 to the Declaration.

A Residential unit owner may use his unit as a single family residence only.

No child under the age of 13 years shall be permitted to use the recreational and other commonly used facilities without the supervision of an adult.

The only permitted pets shall be dogs [not to exceed 60 pounds each] and cats. No more than 2 four-legged animals shall be permitted to reside in a unit.

The use and occupancy of each unit and the common elements of the Condominium are also regulated and restricted by the terms and provisions of Section 18 of the Declaration and Article XVII of the By-Laws of the Association. All of the rules contained therein pertaining to use and occupancy should be read and understood by each prospective purchaser. Such restrictions include, but are not limited to, the following:

A. No garbage cans, supplies, recycling containers, or other articles shall be placed on the common elements and limited common elements of the Condominium except as authorized by the Association, nor shall any linens, cloths, clothing, curtains, rugs, mops or laundry of any kind, or other articles, be shaken or hung from any of the windows, doors, balconies or entry ways, or exposed on any part of the limited common elements or common elements. The limited common elements and common elements shall be kept free and clear of rubbish, debris, and other unsightly material. No clothesline or similar device shall be allowed on any portion of the Condominium property nor shall clothes be hung anywhere within the Condominium property except within the interior of a unit.

B. No unit owner shall make or permit any disturbing noises by himself, his family, servants, employees, agents, visitors, and licensees (including, but not limited to, vocal and instrumental instruction or operation of televisions, stereos, radios or the like), nor do or permit anything by such persons that will interfere with the rights, comforts or convenience of the unit owners.

C. Each unit owner who plans to be absent from such owner's unit during the hurricane season shall remove all items not permanently affixed to any balcony appurtenant to such owner's unit prior to departure.

D. Parking spaces assigned by Developer are within the garage located on the second through seventh floors of the building.



E. The Developer intends to retain title to the Commercial Unit located on the street level of the building; and also intends to sub-divide said Commercial Unit in order to lease the Commercial Unit to multiple tenants, under multi-year commercial leases.

V. Utilities and Other Services:

A. Electricity for the Condominium Units is provided by Florida Power and Light Co. and billed directly to each Unit Owner.

B. Drinking water and sewage disposal for each Unit is provided by the City of Daytona Beach Utilities and billed to the Association as a Common Expense.

C. Telephone service for each Condominium unit is provided by a variety of companies and billed directly to each Unit Owner.

D. Garbage disposal for each Condominium unit is provided by Waste Pro and billed to the Association as a common expense.

E. Storm water retention and drainage is provided by common areas located on lands outside of the Condominium Property and under the control of the Association.

F. Reception of signals for television usage and internet connection shall be through Spectrum and billed to the Association as a common expense.

VI. Management of the Condominium:

**THERE IS TO BE A CONTRACT FOR THE MANAGEMENT OF THE CONDOMINIUM PROPERTY WITH SOUTHERN STATES MANAGEMENT GROUP, INC.**

The Association has entered into a management agreement with a management firm. See Section 12 of the Declaration which expressly authorizes the Association to engage and contract with a management firm to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of assessments and other sums due from unit owners, preparation of records, enforcement of rules and maintenance, repair and replacement of the common elements with funds as shall be made available by the Association for such purposes. The Association, its directors and officers shall, however, retain at all times the powers and duties granted by the Condominium documents and the Florida Condominium Act, including, but not limited to, the making of assessments, promulgation of rules and execution of contracts on behalf of the Association.

VII. Share of Common Elements, Surplus and Expenses:

Each Unit shall have an undivided percentage share in the Common Elements and Common Surplus and an undivided percentage share of the Common Expenses to be paid with respect to such Unit. The percentage share allocated to each Unit is calculated by dividing the useable square footage contained within a Unit by the total useable square footage of all the Units, all as more particularly set forth in Paragraph 5.1 of the Declaration.

VIII. Description of Common Elements and Limited Common Elements:

Included as common elements available for use only by the Unit owners are the following:

A. The portions of the Condominium property which are not included within the units;

B. Easements over, under, across, and through units for conduits, ducts, plumbing including sprinkler system lines and accessories, wiring and other facilities for the furnishing of utility and other services to the units and the common elements;

C. An easement of support in every portion of a unit which contributes to the support of any other unit or the building;

D. The property and installations required for the furnishing of utilities and other services to more than one unit or to the common elements;

E. Any hallways, foyers, doors, elevators, stairwells, sprinkler systems, alarm systems, access systems, or security systems not contained within a specific unit;

F. An occupancy and use easement in any and every portion of a unit required for the fire sprinkler heads or other integral parts of the fire sprinkler system; and

G. Any other parts of the Condominium property designated as common elements pursuant to the Declaration or the Act.

Limited common elements shall include (a) any portion(s) of the common elements, including but not limited to, conduits, ducts, plumbing, wiring and other facilities, for the furnishing of utility and other services to a particular unit; (b) the mailbox assigned to a particular unit which shall be located within the building; (c) light and electrical fixtures outside the unit or attached to the exterior walls of the unit and which solely serve such unit; and (d) to the extent applicable, any hurricane shutters affixed to the exterior of the Condominium building for the specific use of a particular unit; (e) the exterior portion of each unit entrance door.

IX. Easements and Agreements of Record:

The following are instruments of record to which the Condominium property is and shall be subject: (a) the Declaration and Grant of Easements (Exhibit "E" to this Prospectus); (b) such other easements as shown on the Condominium drawings, as contained in any future amendments to the Declaration, or as declared by the Developer pursuant to reserved rights contained herein.

Purchasers should review these easement documents to more fully determine the rights and obligations created thereunder.

X. Estimated Operating Budget; Developer Guaranty:

**THE BUDGET CONTAINED IN THIS OFFERING CIRCULAR HAS BEEN PREPARED IN ACCORDANCE WITH THE CONDOMINIUM ACT AND IS A GOOD FAITH ESTIMATE ONLY AND REPRESENTS AN APPROXIMATION OF FUTURE EXPENSES BASED ON FACTS AND CIRCUMSTANCES EXISTING AT THE TIME OF ITS PREPARATION. ACTUAL COSTS OF SUCH ITEMS MAY EXCEED THE ESTIMATED COSTS. SUCH CHANGES IN COST DO NOT CONSTITUTE MATERIAL ADVERSE CHANGES IN THE OFFERING.**

An Estimated Operating Budget ("Budget"), for the fiscal year ending December 31, 2021, for the Association is attached hereto as Exhibit "B." The Schedule of Unit Owner's Expenses, incorporated as a part of such Exhibit "B" hereto, is an estimate of the expenses of a unit owner for the same period which are provided for or contemplated by the Condominium documents with the exception of any special assessments which are unforeseen and not anticipated. The monetary amount contained in the Budget and level of assessments in subsequent years may increase. Developer is in control of the Association during the period of operation for which this Budget has been rendered.

The Declaration requires that the Budget reserve funds for capital expenditures and deferred maintenance based on the estimated remaining useful life and estimated replacement cost of each reserved item. Pursuant to Section 718.112(2)(f)2., Florida Statutes, Developer has the power to cast all of its votes at a duly called meeting(s) of the Association in favor of waiving the requirement for reserves for the first 2 fiscal years of the Association. Accordingly, Developer is waiving reserves for roofing, painting and elevators, in the Budget (attached as a part of Exhibit "B" hereto) for the Association. In order for a waiver of the reserves to be effective after the first 2 fiscal years, pursuant to Florida law, a majority vote of

the unit owners present in person or by proxy at a duly called meeting of the Association is required. Thus, if the votes of Developer constitute less than a majority of all the votes which are able to be cast, unit owners other than Developer shall also have to vote in favor of the waiver in sufficient numbers to constitute a majority.

Commencing with the recording of the Declaration and continuing until the end of the first fiscal year of the Association, Developer guarantees that the assessment for common expenses shall not exceed \$693.26 for each A model unit per month; \$815.10 for each B model unit per month; \$916.04 for each C model unit per month; \$829.98 for each D model unit per month; \$831.59 for each E model unit per month; \$606.00 for each F model unit per month; \$273.85 for each G model unit per month, \$202.27 for each H model and I model unit per month; \$3,286.16 for the PH1 model unit per month; \$1,881.94 for the PH2 unit per month; and \$2,149.35 for the Commercial Unit per month. Thereafter, Developer, in its discretion, shall have the option of extending the above level of guarantee for additional one-month periods of time; provided, however, that notwithstanding any provision to the contrary, the guarantee shall automatically terminate on the date of the meeting of unit owners at which transfer of control of the Association to unit owners other than Developer occurs. Notwithstanding any contrary provisions of Sections 13 and 14 of the Declaration, during the guaranty period Developer shall be excused from the payment of its pro-rata share of the assessments for all units it owns; however, Developer shall pay any amount of common expenses incurred which exceeds assessments collected from unit owners other than Developer while the guaranty period is in effect.

XI. Unit Purchaser's Closing Expenses:

Except the title insurance premium for the owner's policy, all other closing costs, pertaining to the conveyance of a unit by Developer to a Purchaser shall be paid by Purchaser. Purchaser's costs shall include the cost of recording the deed of conveyance, Florida Documentary Stamp Taxes on the deed of conveyance and, all costs associated with a mortgagee policy in favor of Purchaser's lender. Specifically, and for purposes of disclosure, Seller shall be solely responsible for all costs and expenses incurred in connection with the issuance of an owner's policy of title insurance, as more particularly described in the Purchase Agreement.

Purchaser shall also be required to pay, at the time the initial sale of each unit is closed, an amount equal to two months' assessments. This amount shall be used as a working capital fund in connection with all initial operating expenses for the common elements. This payment shall not be refundable or applied as a credit against the unit owner's monthly assessments. Pursuant to Florida administrative rules, these funds may not be used for the operation of the Association during the period of the Developer's guarantee of assessments.

In addition to any expenses described in other portions of this Prospectus (Offering Circular) Text, the following is a schedule of the closing expenses to be paid by Purchaser at closing:

- A. Proration of monthly Association assessment for the current year.
- B. Proration of ad valorem real estate taxes for the current year.
- C. Any attorney fees incurred by purchaser in connection with the purchase of a unit.

If a portion of purchase price is financed, add:

D. Florida Documentary Stamp Tax on the mortgage at the rate of \$0.35 per \$100 (or fraction thereof) of principal amount of note secured by the mortgage (based upon applicable Florida law as of the effective date of this Prospectus, and may change from time to time).

E. Florida Intangible Tax on the mortgage equal to 2 mills (.002) times the principal amount of note secured by the mortgage (based upon applicable Florida law as of the effective date of this Prospectus, and may change from time to time).

F. Fee to record the mortgage equal to \$10.00 for the first page and \$8.50 per page thereafter (size of mortgage depends on form used by lender) (based upon applicable Florida law as of the effective date of this Prospectus, and may change from time to time).

G. Premium for the mortgagee's title insurance, if required.

H. Loan origination fee, points or other fees to the lender (to be determined by lender).

I. Fee for credit report and appraisal (depends on amount of fee charged lender by provider of such services).

The cost items and the amounts thereof attendant to the obtaining and closing of a first mortgage loan for which Purchaser will be responsible to pay are shown on Exhibit "G" to this Prospectus. Such cost items and the amounts thereof are based upon the following assumptions:

A. That there will be no prepaid charges.

B. That such lending institution will make a first mortgage loan equal to eighty percent of the Unit's initial purchase price.

C. That the method of arranging the first mortgage loan will be by new direct loan to the Purchaser by the lending institution secured by a first mortgage loan on the Unit.

D. That there will not be any secondary financing.

The amount of each cost item shown on Exhibit "G" is based upon the most up-to-date information the Developer has been able to obtain as of the date of filing this Prospectus with the Division. They are, however, only estimated costs and are subject to change. Accordingly, the Developer does not represent, warrant or guarantee that, on the date of closing of title with a Unit Purchaser, such cost item amounts will be as shown on Exhibit "G".

Whether or not the Purchaser desires to obtain financing, the purchase of the Unit will not be subject to the Purchaser arranging such financing and the Developer considers the purchase of the Unit as if the Purchaser does not require a mortgage loan.

Purchasers may elect to purchase flood insurance to protect their unit if not otherwise required by any applicable mortgagee. Purchasers should refer to Sections 15 and 16 of the Declaration for information pertaining to the purchasing of flood insurance and the use of any flood insurance proceeds to rebuild or repair the unit if damaged by flood. The Developer in no manner advises as to the necessity for such insurance.

Purchasers should consider purchasing fire and casualty insurance for their unit, if not otherwise required by any applicable mortgagee. The Association does not carry fire and casualty insurance on the units or the dwellings contained therein.

## XII. Identity of Developer:

PDA Trading, Inc., a Florida corporation, is the Developer of 500 ATLANTIC Condominium. The two principals of the Developer are Petr Lysich and Alexey Lysich who are the persons charged with overseeing the development of the Condominium. This is the first residential condominium project by the Developer and its principals. The Developer, along with its principals, have previously developed hotels in St. Petersburg, Russia and Palm Coast, Florida, and are currently developing a hotel in Daytona Beach, Florida. Evidence of the Developer's ownership of the property upon which the Condominium is to be constructed is contained in Exhibit "F" to this Prospectus.

Effective Date: January 1, 2023

EXHIBIT "A" TO THIS PROSPECTUS  
DECLARATION OF CONDOMINIUM

EXHIBIT "B" TO THIS PROSPECTUS

ESTIMATED OPERATING BUDGET  
AND  
SCHEDULE OF UNIT OWNER'S EXPENSES

**THE BUDGET CONTAINED IN THIS OFFERING CIRCULAR HAS BEEN PREPARED IN ACCORDANCE WITH THE CONDOMINIUM ACT AND IS A GOOD FAITH ESTIMATE ONLY AND REPRESENTS AN APPROXIMATION OF FUTURE EXPENSES BASED ON FACTS AND CIRCUMSTANCES EXISTING AT THE TIME OF ITS PREPARATION. ACTUAL COSTS OF SUCH ITEMS MAY EXCEED THE ESTIMATED COSTS. SUCH CHANGES IN COST DO NOT CONSTITUTE MATERIAL ADVERSE CHANGES IN THE OFFERING.**

EXHIBIT "C" TO THIS PROSPECTUS  
FORM OF PURCHASE AGREEMENT

EXHIBIT "D" TO THIS PROSPECTUS

ESCROW AGREEMENT



EXHIBIT "E" TO THIS PROSPECTUS  
DECLARATION AND GRANT OF EASEMENTS

EXHIBIT "F" TO THIS PROSPECTUS

EVIDENCE OF DEVELOPER'S OWNERSHIP  
INTEREST IN THE CONDOMINIUM PROPERTY

EXHIBIT "G" TO THIS PROSPECTUS  
ESTIMATED CLOSING COSTS OF PURCHASE

EXHIBIT "H" TO THIS PROSPECTUS

MANAGEMENT AGREEMENT WITH  
SOUTHERN STATES  
MANAGEMENT GROUP, INC.

