



5000 Teague Bay, Christiansted, St. Croix U.S.V.I. 00820

Tele: (340) 773-9200 Email: thereef@reefcondosusvi.com

Web: www.reefcondosusvi.com

To: Reef Owners

Date: August 30, 2023

Regarding: Common Maintenance Fee

I hope everyone is doing well and staying safe.

The Finance Committee had its annual budget review. It was submitted to and approved by our Reef Associates, Inc. Board of Directors. They have approved a 6.4% increase in our monthly standard maintenance fees. The Board agreed that our operating funds needed to be increased so we could protect our insurance and infrastructure funds for their intended purpose. We will ensure, along with close monitoring of our budget, that we will have money to spend on infrastructure repair and upgrades.

The continued assault on all our available funds by the increased inflation rate mandated an increase in our maintenance fees. Last year's 8% and the 6.8% increase in just the previous 12 months for the U.S. average hit the Virgin Islands even more challenging as we average about 1.3% to 2.1% higher than the U.S. average. We all have experienced the increased shipping and electricity costs that drive our prices. This Board is committed to protecting your investment by doing more to repair and replace our aging infrastructure.

The **6.4% increase in monthly** maintenance fees will be effective **November 1, 2023**. The Board has agreed to **no changes in our insurance fees and \$81 monthly infrastructure fees**.

Sincerely,

Don Midikowski and Kim Bordenave-Priestley
Reef Associates Inc.