

September 1, 2023

Dear Tuscany Homeowners and Neighbors,

We are all grateful for the little damage Hurricane Idalia did to Tuscany. Let's hope the rest of the season is as kind.

We wanted to give you advance notice of the current insurance market and how it will affect our Tuscany budget in 2024.

Our renewal timing of our current premiums isn't optimal. We are waiting to hear from the current provider if and at what premium our Tuscany insurance will be. Hurricane season is not the best time to be negotiating especially after Ian last year and now Idalia and the flooding this year. Several carriers have dropped out of the Florida market.

We are attaching back ground information of what we have paid in the past. We did reach out for a second opinion to ensure we are being served well with our current broker, Great Florida. We received good feedback. The not so good news is we can expect a very large increase for the 2023-2024 season.

The insured value of our building has increased 27.7% from the last time we did an appraisal. Good news for our property investment. Not so good because that is an immediate increase to our insurance policy.

According to our current broker and our second opinion, we should expect an additional increase of 75% or more for next year's policy. Fortunately for us, we didn't have a claim with Idalia thus our current carrier may give us a new policy.

Our insurance premiums begin in November and December. Doubling of our insurance expense as well as our desire to spread the payments monthly which incurs an interest charge of around 8%, will make it necessary for a special assessment to be made November 1. We will know more of that amount in the coming month and will advise asap.

Needless to say, this expense and the rising expense of everything will impact our monthly COA payments.

We have also researched and hired a Company to do our Florida mandated Structural Integrity Reserve Study (SIRS). We have a current reserve analysis. Reserves will now have to be split into two reserves- a Structural Reserve and other building reserve. More to come on reserves.

We wanted to keep you updated and informed.

Bonnie, Brad, Dick, Larry and Pat and Ro Lynch, our WCM Manager

