

The South Seas Club Condominium Association, Inc.

Message from your Board

Date : 3/10/2025

Subject: Special Assessment Due to Hurricane Damage

Dear South Seas Club Owners,

I hope this letter finds you well. As you are aware, Captiva Island and the South Seas Club have been impacted by multiple hurricanes in recent years. These storms have caused significant damage to our resort, requiring extensive repairs and improvements.

Over the past three years, we have diligently used reserve funds to cover numerous projects to avoid requesting a special assessment. These projects have included:

- Roof repairs and maintenance
- Pool resurfacing and deck repairs
- HVAC replacements and upgrades
- Elevator maintenance and repairs
- Landscaping restoration
- Appliances and interior furnishings

Despite these ongoing efforts, the impact of recent hurricanes has exceeded our available reserve funds and insurance coverage. As a result, a **special assessment is necessary at this time** to address critical restoration and improvement projects. **We have scheduled a board meeting on Thursday, April 3, 2025, at 10 a.m. ET to discuss the proposed special assessment. To register for this meeting, please [click here](#).**

Breakdown of Projects Covered by the Proposed Special Assessment

The following projects are included in the assessment:

- Building insurance deductible: \$348,000** (This represents our required deductible before insurance coverage applies)
- Property in the Open (PITO) deductible: \$50,000** (This is for non-structural items such as landscaping, signage and other outdoor amenities that are not covered under standard building insurance)
- RL James column restoration screen enclosures, lanai tile, Karin Engineering and Contingency: \$516,000**
- Legal expenses related to easement and amenity litigation and related expenses: \$175,000

The Board is carefully reviewing all expenses to ensure that we balance necessary repairs with long-term value for the resort. Any costs not included in our normal annual operating budget are being evaluated to determine the best return on investment.

Proposed Special Assessment Details

Total Proposed Special Assessment: \$1,089,000

The proposed per unit assessment payment in the amount of **\$889.71 is due in full by June 1, 2025**. We understand that this may pose a financial burden, and we assure you that we, as fellow Owners and Board, are fully committed.

The Board firmly believes that once the lanai project is completed, our building will be in **better condition than when it was originally constructed**. This restoration is not just about repairs but about improving the longevity and quality of our shared investment.

Your continued support and cooperation are crucial in restoring our beautiful resort. If you have any questions or need further details, please contact Nancy Dean, General Manager. We appreciate your prompt attention to this matter and your dedication to keeping South Seas Club a premier vacation destination.

Thank you for your understanding and commitment to our shared community.

Sincerely,

Keith Arnott

President, South Seas Club

April 3, 2025

South Seas Club Special Assessment

Owner's Meeting Agenda

10 a.m. ET

Zoom Webinar

I. Call to Order

II. Roll Call

III. Proposed Special Assessment

IV. Owner Q & A

V. Adjournment