

June 14, 2024

Dear Solivita Club Members:

As an update to the letter we provided in mid-April 2024 related to Solivita Club Expenses, we have finalized the Budget of Club Expenses for 2024 and completed the third-party review of such budget. The schedule of the 2024 Budget of Club Expenses is presented on the following pages.

The Budget for Club Expenses under the Club Plan totals \$10,658,050 for 2024. Based on the total closed homes in the community as of January 1, 2024, this equates to a prorata share of Club Expenses for each member/household of \$175.65 on a monthly basis. You have been paying \$98.23 per month for the first 6 months of 2024, which is a shortfall of \$77.42 per month. In order to collect the full assessment per the 2024 Budget, you will need to pay \$253.07 on a monthly basis for July 2024 through December 2024. It is mandatory for each member to pay their full assessments of Club expenses per the Club Plan.

If you have any questions related to the Budget for Club Expenses, you may submit a request through TownSq (Townsquare) which is in your owner portal. Please submit under the “Club Budget Questions” category. These questions will be compiled, and we will work in tandem with Castle Management to provide a response.

If you have any questions on how to make or update your payment of these updated 2024 assessments, you may contact Castle Management at 1-800-337-5850. For those enrolled in Autopay through the Castle Management Resident Center with payments scheduled June 25th and later, this amount will be automatically updated and drawn from your account. If your autopay due July 1st drafts prior to June 25th, you will need to visit www.Castlegroup.com and click on the Resident Center to ‘Manage your Autopay’ to adjust your future payment, and/or make an additional payment to account for the short fall. If you are on BillPay (through your bank) or sending a check, you will need to make the update to the revised assessment on your own. Our Resident Services team, and site teams are prepared to assist owners who need help adjusting payments, but are unable to answer questions related to the budget.

As a reminder, “Club Expenses” are defined in section 3 of the Club Plan as set forth below, and these are the expenses that are included in the calculation of the budget and Club Dues to be charged going forward:

"Club Expenses" shall mean all costs (as such term is used in its broadest sense) of owning (including Club Owner's debt service and depreciation), operating, managing, maintaining, insuring the Club, whether direct or indirect including, but not limited to trash collection, utility charges, maintenance, legal fees of Club Owner relative to the Club, cost of supervision, management fees, reserves, repairs, replacement, refurbishments, payroll and payroll costs, insurance, working capital, ad valorem or other taxes (excluding income taxes of Club Owner), assessments, costs, expenses, levies and charges of any nature which may be levied, imposed or assessed against, or in connection with, the Club. By way of example, and not as a limitation, the following expenses shall be included within Club Expenses: liability, casualty and business interruption insurance (with such deductibles as Club Owner deems appropriate); real property taxes, personal property taxes and taxing and community development district assessments; roof repair and replacement; and all other costs associated with changing or enhancing Club Facilities after initial construction. Club expenses shall not include replacement of the basic building shell (other than roof repair and replacement) and the initial cost of construction of the Club Facilities. Club Owner may allocate a reasonable portion of its overhead (*e.g.*, employee salaries) to Club Expenses to extent the Club benefits from such overhead.

See following pages for the 2024 Budget for Club Expenses

Solivita Club
Budget for the Period
January 1, 2024 through December 31, 2024

GL#	Description	2024 Budgeted Expenses
Administrative Expenses		
520110	Postage & Copies	\$ 90,000
520120	Office Supplies	\$ 34,000
520130	Food/Beverage Expense	\$ 200,421
520140	Newsletter Expense	\$ 276,000
520141	Mileage Reimbursement	\$ 250
520415	Merchandise and Ticket Transaction Fees	\$ 20,000
530000	Special Events Talent	\$ 119,310
530110	Legal Fees	\$ -
530112	Membership Supplies	\$ 25,000
530180	Depreciation Expense	\$ 517,753
535010	Merchandise Expense	\$ 3,000
540112	Dues & Subscriptions	\$ 55,000
540116	Taxes, Licenses & Fees	\$ 180,000
540124	Communications Expense	\$ 10,000
540150	Bad Debt Expense	\$ 34,491
555100	Salary & Burden	\$ 3,713,748
555405	Uniforms	\$ 6,500
555700	Training	\$ 15,000
555750	Fitness Instructor	\$ 210,600
560100	Advertising & Marketing	\$ 1,200
	Total Administrative Expenses	\$ 5,512,273
Insurance Expenses		
510100	Insurance Expense	\$ 230,454
	Total Insurance Expenses	\$ 230,454
Contract Services		
600000	Management Services Contract	\$ 91,875
700100	Landscape Contract	\$ 239,231
	Total Contract Services	\$ 331,106
Repairs & Maintenance Expenses		
700120	Landscape Replacement	\$ 40,000
700130	Additional Mulch	\$ 24,000
700200	Tree Trimming/Removal	\$ 50,000
700214	Palm Tree Trimming	\$ 20,000
701023	Irrigation R&M	\$ 5,000
701100	Lake Treatments	\$ 43,680
702000	Building - Repairs & Maintenance	\$ 175,000
702010	Building Supplies & Materials	\$ 24,000
702012	Facility Supplies	\$ 52,000
702014	Janitorial Supplies	\$ 95,000
702015	Common Area Maintenance	\$ 26,000
702030	Elevator Maintenance	\$ 20,700
702037	Roof Repairs	\$ 40,000
702042	Equipment Leases	\$ 55,000
702044	Equipment Rental	\$ 48,450
702064	Computer - Repairs & Maintenance	\$ 50,000
702065	Machinery & Equipment R&M	\$ 30,000
702066	Communication - Repairs & Maintenance	\$ 12,000
702068	Fitness Equipment - Repairs & Maintenance	\$ 8,000
702110	Signage - Repairs & Maintenance	\$ 3,000
702150	Decorations	\$ 128,160
702170	Mosquito Control	\$ 15,202
702178	Pest Control	\$ 16,000
702184	Recreation Courts - Repairs & Maintenance	\$ 176,000

Solivita Club
Budget for the Period
January 1, 2024 through December 31, 2024

GL#	Description	2024 Budgeted Expenses
702185	Asphalt/Walkways - Repairs & Maintenance	\$ 40,000
702187	Compound Move Completion	\$ 45,000
704136	Fire Alarm Monitoring	\$ 20,000
704236	Security Expense	\$ 206,000
711320	R2R Resource Center	\$ 1,100
712535	Pool/Spa Chemicals	\$ 117,600
712550	Pool/Spa Repair/Maintenance	\$ 112,000
712555	Pool/Spa Contract	\$ 146,400
712570	Pool Furniture/Repair & Maintenance	\$ 5,000
713022	Social Activities Club Expense	\$ 200,795
713416	Fitness Equipment Lease	\$ 175,000
713441	Fitness Equipment Purchase	\$ 5,000
713443	Fitness/Wellness Expense	\$ 43,800
790000	Special Projects (Capital Projects)	\$ 321,695
	Total Repairs & Maintenance Expenses	\$ 2,596,582
	Utilities Expenses	
705010	Electricity	\$ 417,600
705030	Water & Sewer	\$ 70,000
705050	Cable Contract	\$ 42,000
705060	Trash Removal	\$ 10,200
705070	Telephone	\$ 28,840
705073	Cell Phone	\$ 22,000
705080	Fuel	\$ 18,000
705081	Propane - Pool	\$ 280,000
	Total Utilities Expenses	\$ 888,640
	Total Operating Expenses	\$ 9,559,055
	Reserve Expenses	
900100	Pooled Reserves	\$ 1,098,995
	Total Reserve Expenses	\$ 1,098,995
	Total Expenses	\$ 10,658,050
	Total Closed Homes:	5,374
	Monthly Assessments	\$ 148.23
	Assessment Sales Tax	\$ 10.38
	Monthly Reserves	\$ 17.04
	TOTAL:	175.65