To: Sundial Owners

From: Sundial Management

RE: 2024 Maintenance Fees

Year one of the Sundial remodel project was a challenging experience to say the least. We collected the insurance money in late September of 2022 and started hiring contractors the 1st week of October. Our main priority was to get as many owners back into their units as soon as possible. We spread the insurance proceeds we received around as fairly and equitably as possible. Starting at the top floors and working our way down, we realized very quickly the funds collected from United National, TWIA & the owner’s remodel assessment would not bring all the units back to the level of satisfaction demanded & expected by ownership. Mid-way thru the remodel we started focusing on the top priorities like appliances and furniture. We are fully aware that most units need so much more going forward. Bedding, bath towels, kitchen utensils, TVs, armoires, pictures, beach nick-nacks to name a few. We were a bit ambitious about what we could accomplish with the funds available to us. Our plan is to complete the remodel during January – February 2024 in all units during our annual deep clean initiatives. It is the Sundial Board’s intention to restore the units back to the highest level possible. It is no surprise that prices across the board have gone up significantly over the last 6 years. We are feeling the squeeze in Port A for sure. We have created a bottom-up budget for 2024 that will cover the incremental cost to finish the units. Highlights are below;

* MT Fees $200,000
* Office Contractors $60,000
* Unit Maintenance $75,000 / $5,000/unit
* Housekeeping $70,000
* Supplies $10,000
* Sundial Insurance $11,000
* Legal $24,000
* Office Rent $9,000
* Utilities $25,000
* Phone $2,000

**Total 2024 Estimated Expense** $468,000

**2024 Income Projection $514,800**

Base on the projection, we will need to 2024 maintenance fees at the following rates;

* Two Bedroom Annual Fees $1,050
* Three Bedroom Annual Fees $1,325

The Sundial bank accounts have been depleted due to the cost of the materials and labor to rebuild our (15) Sundial units in 2023. For this reason, we will need to collect the income projected above as early as possible to complete the all the work necessary to bring all units up to the highest possible standard. We need to land on the following new payment schedule to achieve our goals;

* $1,050 for a (2) bedroom = keep the total fees consistence with 2023
* $1,325 for a (3) bedroom which is 1.25X more than a (2) bedroom
* Weeks 1-25 MFs due **Dec 15th 2023**
* Weeks 26-52 MFs due **March 31st 2024**
* No partial payments unless willing to pay a **$30 surcharge** on each payment.

It was necessary to revise the payment due dates in order to effectively manage the annual business. We need to know upfront the amount of funds we have available to run the Sundial business successfully. Processing billing statements, collecting, and monitoring payments and accounting maintenance requires many hours of work for the office staff. Each owner mailing costs more than $1000. We are very pleased to be rolling out a new electronic billing system on November 15th 2024. Each owner will receive an email from mrgsundial@gmail.com for their 2024 maintenance fees. Owners can easily pay their 2024 fees directly from the email on a credit card or can send in a check to Sundial Owners Association at the physical address of;

**Sundial Owner Association**

**6109 State Hwy 362**

**Port Aransas TX, 78373**

Payments NOT received for weeks 1-25 by Jaunary 15th 2024 will be charged a $30 late fee. Payments NOT received for weeks 26-52 by April 15th 2024 will be charged a $30 late fee. For every month your payments are late an additional $30 will be assessed.

If you are interested in purchasing additional weeks or know someone that is, please send them to the Sundial website to review the inventory we have available by week. The For Sale tab is on the top of the home page.

We will NOT hire a permeant office staff but will utilize several contractors and service providers to maintain the day-to-day business. All question can be directed to the Sundial website, mgrsundial@gmail.com or by calling 361-749-6668 Monday -Saturday

Sundial attorney Brad Condit has written a Sundial Property Tax update attached below.

Please feel free to contact me if you have any questions or concerns.

Dan O' Connor

Sundial President - 361-749 -6668