To: Deephaven Cove Homeowners
From: Board of Directors
Date: December 1, 2023
Re: Association Budget for 2024

Dear Homeowner,

The Board of Directors has a duty to review and approve a budget each year. Homeowners should expect to see increases in dues annually due to inflation and increased operational costs.

One such operational cost is insurance. Nationally Condominium and Townhome markets have been affected extremely hard in the past few years. Many carriers like your previous carrier are no longer writing business in Minnesota, some in 2024 are no longer writing it for Condo/Townhome communities at all. Last year according to a survey by the Community Association Institute the National average increase was 24.9%, led by states like Florida, Minnesota, and California. There are some that have put restrictions to limit exposure in many ways, while still increasing premiums. Finding a new carrier was difficult and more expensive in general with fewer options and an open claim adding to the challenges. Policy premiums ranged from $90,000 to $229,000, this was up from $43,000 last year. This year, the ultimate reason you're receiving an increase is because of the cost of insurance.

Your dues are based on percentages based on information provided in the Declaration. Please see below the following chart of what the dues for your home will be **beginning on January 1, 2024.**

Percentage	2023 Monthly Dues	2024 Monthly Dues	Percent Increase
4.282565%	$670.14	$835.62	24.7%
3.934594%	$615.69	$767.72	24.7%
1.625284%	$254.32	$317.13	24.7%
4.107898%	$642.80	$801.54	24.7%
1.644691%	$257.36	$320.91	24.7%
3.964556%	$620.37	$773.57	24.7%
2.657111%	$415.78	$518.46	24.7%

A copy of the approved 2024 budget is included. **If you are on automatic payments** through New Concepts, the amount will change automatically. **If you send in the payment, pay online or through your bank,** you will need to manually change the amount.

We want to wish you a very happy Holiday Season and a great year in 2024.

Sincerely,

The Deephaven Board of Directors and NEW CONCEPTS MANAGEMENT GROUP, INC.