

November 15, 2025

To: Tuscany Homeowners

A new year soon begins at our beautiful Tuscany Home.

To recap, in February, 2023, your current Board of Directors took the reins. We faced many neglected maintenance and management issues. We endeavored to keep you updated through communications, Board meetings and minutes.

We encourage you to use the [TuscanybytheSea.org](https://TuscanybytheSea.org) website to keep informed. You must register to get to the second page which contains all of our contracts, insurance documents and financials.

During the past three years, we have changed management and maintenance companies twice. Board members have given considerable time to be involved in the detail and operating issues in addition to overseeing the management team and maintenance and financials. We have a team of Directors and Committee of Homeowner participants to keep Tuscany one of the most valuable properties on the beach.

The 2024 Hurricanes tested our mettle and capability to overcome the devastation to our property. We had an excellent Property Manager in Tim Hendrix and now with Susan Ables. We appreciate our Homeowners and neighbors who are very understanding and trusting of the Board and Property Manager of Tuscany.

Enclosed you will find the 2026 Budget that will be discussed on December 1, 2025. We have made great progress by contracting service providers for all of the key maintenance needs of Tuscany. We communicated with you in mid-October a list of these providers.

Insurance carriers do not quote a property until 15 days before a new policy begins. Our term begins December 11 for the primary policy and November 28 for the flood policy.

In the budget notice you received, the Board is voting on the 2026 Budget as well as the insurance payment, you will need to vote to less than fully fund the Non-SIRS (General Reserves) on the enclosed proxy. As stipulated we have fully funded the SIRS and the Board recommends this year to not fully fund the Non-SIRS.

We just received a renewal quote from Cypress, our current carrier for the past two years. We are using that amount plus the flood quote as **the special assessment amount that will be due December 10<sup>th</sup> for \$118,000 which is \$9,834 per unit. The special assessment is for the 2026 Insurance payment only.** We are awaiting quotes from a few more new carriers to the Beach properties. If we can obtain same coverage details as we now have from Cypress but at a

lower amount, we will advise on or before Monday, December 10<sup>th</sup> and modify the amount required.

At our Board meeting on November 14 we discussed the status of the insurance fraud of which Tuscany was the victim. Since January, the Board has met monthly with our Management Company, Ameritech's President, both of our insurance agent and Ameritech's.

In June, we hired legal counsel from Bush Ross to be present at these monthly meetings. Tuscany's claim was denied by our carrier early in the process as we did not have social engineering in our Crimes & Cyber policy. Ameritech's Travelers policy does have social engineering coverage; however, the claim needed to be resubmitted on August 1 when we provided the detail of our email trails showing specifics of how the fraud occurred.

We were advised by our counsel who has expertise in the insurance field to try to settle with Ameritech and our insurance agent. The legal expense and the time expended would most likely not be enough gain to enter into litigation.

We negotiated an agreement from Ameritech and our Insurance agent to provide compensation to Tuscany while we await Travelers final claim resolution. It gives us the needed cash flow to not have to do a special assessment. We are waiting on agreed upon language. If Traveler's pays the claim at any time in the future, Tuscany will receive additional compensation.

Your current Board is standing for re-election in 2026 to finish the various efforts we have made on behalf of Homeowners. We invite anyone who wants to be more involved to participate in the meetings or join a committee. Mostly we ask you to stay informed about the building and always raise a concern or viewpoint with the Board or the Management Company.

Best regards,

Your Board and neighbors, Bonnie, Dick, Brad, Larry and Pat