



SUNRISE RIDGE CONDOMINIUM ASSOCIATION, INC.

Dear Sunrise Ridge Resort Owner,

Greetings from Sunrise Ridge Condominium Association, Inc., our management company and the Team Members at your home away from home in beautiful Pigeon Forge. Enclosed in this packet are the 2023 budget and statement for your association.

2023 Assessment Summary

This year, the hospitality industry has been especially impacted by labor shortages and a continued pressure to increase wages to attract qualified workers and retain essential talent. Your property's ability to hire and retain good Team Members ultimately impacts the quality of services delivered to you during your stay. At the same time, above-average inflation has resulted in greater expenses for essential products, supplies and services, while higher fuel costs have affected shipping and deliveries. Many properties are also experiencing an increase in utility costs due to increases in gas and oil prices.

The board has approved the 2023 maintenance fee with an overall increase of 16.2%. The main driver affecting the 2023 budget is a 45% increase in the reserve maintenance fee, which is necessary to support a sufficient balance in the reserve fund for future capital projects. The most noteworthy project planned for 2023 is the continued renovation of the remaining 23 units in Building 2. Other projects include, but are not limited to, road resurfacing, updating playground equipment, replacing fitness center equipment and restoring the pool deck.

With each review of the budget, your association's board and resort management team are committed to keeping costs down without compromising our service or the property's upkeep. Every year the budget is built by the corporate finance and on-site operations team and reviewed internally by resort operations leadership before going to each association board for review and approval. During this process, every effort is made to keep your maintenance fees as low as possible, taking special care to minimize the impact of extraordinary market conditions.

Payment Information and Payment Options

A copy of the approved 2023 budget is enclosed for your review and records. Maintenance fee payment options include check, credit card or electronic funds transfer (EFT). For more information on paying your bill, refer to the Frequently Asked Questions on the back of your statement. For additional details, refer to the enclosed Assessment Billing and Collection Policy.

As always, we thank you for your loyalty and the opportunity to serve you. Please contact your resort manager, Dwight Galloway, for questions about the 2023 budget. On behalf of your board of directors, our management company and the resort team, we look forward to seeing you again on your next visit to Sunrise Ridge Resort.

Sincerely,

Board of Directors
Sunrise Ridge Condominium Association, Inc.