

On Holiday Isle  
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Islander Owners,

We hope all had an enjoyable July 4<sup>th</sup> weekend. In Stephen's words, "We are moving ahead nicely with our budget and the fall looks particularly strong this year". We owners have all benefited from our 2010 renovation. However, in 2008 when the board elected to move forward with our reconstruction project, in order to reduce the financial burden on our owners, a few items were deferred. Those items were new doors, windows, balcony sliding doors, and The Palm Room. As you know, we have scheduled the replacement of our new doors this fall and we must wait to replace our front windows until 2017 or 2018 so as not to violate the warranty of the waterproofing applied during our reconstruction. In February 2014 the Board authorized the Palm Room renovation. Since then Management and the Board have carefully considered various options designed to maximize revenue and minimize expense to owners. With some modifications to The Palm Room and targeted advertising for destination weddings, we will be able to realize higher profits from increased rentals and be able to return those profits in the form of reduced assessments. In addition, those who rent The Palm Room would also consider renting Islander units for their stay. Palm Room modifications will begin early August to be completed by the end of September.

There's been some concern from a few owners about the number of rental nights this year as opposed to last year. Generally speaking, although you may see fewer rental nights, the increase in rental rate should result in a better bottom line than last year. The pavers you see on our walkways and around the pools have become problematic and will become more of a problem in the future. The pavers we use now are thicker than the newer pavers on the market and are subject to breakage. Unfortunately, no one makes pavers like the ones we have now. We have a small supply of the existing pavers but that supply will at some point become exhausted. We are therefore hunting for a cost efficient way to gradually change over to a new paver/ walkway covering before our paver supply runs out. As you may recall, as a result of the resent "Cohan vs. The Islander" law suit, we are required to have two Americans with Disabilities Act (ADA) compliant lifts to be installed at each of our pools. We are therefore in negotiations with Aqua Pools of Destin to have a lift installed at each of our pools at a date yet to be determined. As a reminder, those who are contemplating the sale of your unit, please consider using our own Stephen Parish as your broker. Stephen's rates are comparable to local realtors, has been successful in selling Islander units, and part of his commission is returned to Islander Owners.

Board members Ken Klus and Leo Rolfes have made the decision to sell their units. That said, there will be four board vacancies to fill this November. If you are interested in becoming an Islander board member, please contact Stephen or Megan. Ken and Leo have been owners at The Islander since the beginning and have made a significant contribution to The Islander and The Islander family. I'd like to extend thanks and best wishes to Leo, Ken, and their families. They will be missed. My thanks also to Stephen, Megan, Todd, and The Islander Staff for their continued outstanding performance.

F. A. Feltenberger, President  
For Your Board of Directors