

Dear Unit Owners:

August 27, 2026

The Stone Ridge Board of Managers has reviewed the Condominium's year-to-date financial position for 2026.

The Condominium's reserve fund has been drawn down to a level below \$10,000, which is not adequate to address sudden or major repairs. At the end of 2025, the reserve fund was reduced to 28,644 as a result of the underground water main replacement.

For 2026 year to date, snow removal costs, including the additional machinery and manpower required during the winter, totaled \$27,000. A normal year for snow removal is \$7,500. In addition, service and repair work, including repairs to deteriorated wood window frames, window sills and masonry repairs, exceeded \$9,000. The Condominium's annual insurance cost also increased from \$24,000 to \$29,000 for 2026, an increase of \$5,000.

The current capital assessment generates \$3,600 per month. **Unfortunately, the Condominium's monthly common charges are not sufficient to cover its day-to-day operating expenses.** As a result, funds generated by capital assessments have been used to pay for 2026 expenses. Capital assessments are intended to fund major capital repairs and improvements and not to pay monthly operating expenses.

At the same time, significant capital work remains to be completed. This includes the replacement of two decks, exterior repairs, sidewalk repairs, and other necessary maintenance and capital projects.

Accordingly, after reviewing the Condominium's financial position and upcoming needs, the Board of Managers has elected to increase the monthly capital assessment from \$200 to \$400 per unit, effective September 1, 2026 until further notice.

Unit owners should understand the capital assessments is the primary means available to the Condominium to raise the funds necessary to undertake major repairs and capital improvements. Over the past 15 years, more than \$300,000 has been spent on significant projects, including roof and skylight replacement, repaving of the parking lot, exterior siding repairs, deck replacement, and, most recently, replacement of the underground water main.

The Board recognizes that doubling the capital assessment may place a financial strain on some unit owners. However, given the current level of the reserve fund, increased operating expenses, and the capital projects that still need to be completed, the Board believes there is no other alternative at this time.

The new \$400 monthly capital assessment will appear on your September 1, 2026 common charge statement.

Thank you for your understanding and cooperation.
Stone Ridge Board of Managers