

## SOLAR:

Your Board has been working aggressively for the last five years to conserve water and improve our energy efficiency. To accomplish our goals, we have purchased all new electrical appliances for our units, engaged in an extensive LED lighting program, put in new and improved heat pumps for our hot tubs, installed new HVAC equipment in all of the buildings and installed more energy efficient hot water heaters. Additionally, we have been investigating the use of alternative fuels, improvements to our Club generators and the use of solar power.

We have entered into a letter of intent with a highly regarded energy generation firm, and have been working through the various environmental and permitting issues that have been raised by the Virgin Island Water and Power Authority (WAPA). We are close to signing a major solar equipment lease agreement that should stabilize our energy costs for the next 15 years and get the Club off WAPA's erratic and ever increasing energy costs.

A project of this size is complex and is proving to take more time than originally forecast. Solar technology continues to improve with the cost of solar panels going down and battery storage capacity increasing almost daily.

We are determined to take the time necessary to assure the best possible plan for our property. We are persuaded that developing alternative sources of energy is crucial for our financial well-being and are committed to finalizing a plan by mid-2015.