

## October Newsletter Update

October 14, 2020

To all owners, Sunset Cove

Further to the newsletter that was circulated last week (copy attached), we're pleased to confirm that an agreement has been reached with the hotel for the pool bar to re-open. Utilities have been reinstated to the hotel property, and they hope to re-open the bar on Friday 16<sup>th</sup> October, under a new name, the "Lazy Lizard". In order to accomplish this, they had to settle up with the CUC and Cayman Water Company (amongst others)

Our same license agreement remains in place (including restrictions on hours of operation, use of the pool deck and facilities by non-residents etc.).

Given the COVID-19 situation, and the hotel's inability to open to tourists since March, the following terms were agreed with them:

1. All sums owing up to 31<sup>st</sup> March 2020 have been paid in full, along with all shared expenses and utilities up to August 31.
2. Between April 1 and September 30<sup>th</sup>, the license fee has been adjusted to 25% of the regular amount (ie: US\$4,166.66 per month, rather than US\$16,666.66 per month)
3. From 1<sup>st</sup> October 2020 until the hotel can operate as a conventional hotel (or March 31 2021, whichever is earlier), the license fee will be reduced by 50% (ie: US\$8333.33 per month), plus shared costs and utilities to be paid in full.

US\$83,329.96 (reflecting the payments to be made under this agreement, including the October license fee) was paid on 9<sup>th</sup> October.

The board feels that this is a favorable outcome, and will hopefully help to enable the hotel to resume full operations once Cayman opens it's borders to tourists.

Thanks

Regards, Tim Hepburn

BCQS