



November, 2013

Dear Spicebush Community:

Welcome to our fall newsletter. Your **Board of Directors** met in Sea Pines for two days – October 20-21 – for review and approval of the 2014 budget, and the annual meeting of the Spicebush Homeowners Association. In addition, **we were able to certify the election** of two members to the Board, which included the re-election of our treasurer, **Dave Shay**, and the welcoming of a new member, **Paul Anderson**.

Our meeting began, - as they usually do - with a tour of the Spicebush property. We were accompanied by Bob Long, Regime Manager, along with Mark King, President of The Club Group Limited, our property management company. Each is very familiar with our 24 unit complex, and has had years of experience caring for it.

The property looks very good. The fall seasonal plantings welcome you at the entrance, and the landscaping throughout adds a sense of beauty to our resort. The bushes have received a good trim, the pool deck looks inviting, and the warmth of the water beckons those still looking for an invigorating dip. Due to time constraints, none of us jumped in!

The area along the lagoon behind the property shows the results of several years of active efforts to trim back foliage, plant grass, and develop a welcoming place to stroll and sit. If you fish, and are properly licensed, you can dip your line in the water and apparently pull redfish and other possible entrees from it.

We observed **repairs** that have been done to several decks and privacy fences, and the ongoing replacement of the deck furniture. Bob advised that all of the **triangular windows** in the master bedrooms have now been refinished with a film that will allow in light, but cut down on the early sunshine that beams in to many of the units. The “crackled glaze” look is gone, and will not be missed.

The **roofs** on the six buildings are showing their age, and will need to be replaced in the near future. Our reserve budget - thru careful planning - has taken this eventuality into account and we are prepared to undertake this expense. Although lacking the “wow factor” of our recent interior refurbishments, this replacement will protect those interiors for years to come.

Inside the units, all master bedroom mattresses have now been replaced. Discussions are ongoing regarding a possible redesign and rebuild of the bathroom in the master bedroom area. We have allocated funds to obtain some conceptual designs and expense estimates for such a project. We will keep you all posted on the results and discussions that follow.

Turning to the **budget issues**, we as a board did approve increases of \$15.00 to the operating account and \$5.00 to the reserve account for the upcoming year. **The annual fee will be \$800.00**. We recognize the desire among our owners to control costs, while maintaining the property and performing upgrades that allow it to be both sturdy and appealing. We feel that this increase in fees reflects those competing concerns and will allow us to address our needs in the coming year.

One drag on the budget continues to be the number of **HOA (Home Owners Association) owned units**, which are slightly higher in number than last year. These units are “nonperforming”, producing no annual fee payments. We have worked aggressively with the Club Group and an independent agency to discourage third party purchases by companies that often take your money while “buying” your unit, and then fail to pay the annual fee. Please be wary of any such promotions. If you are having issues with your payments, contact the Club Group and you will receive a concerned response. The Resale Company, 800-785-3070 can also help facilitate a sale of your unit if that is your desire.

We continue to encourage you to go to your Spicebush website, spicebushatseapines.com for information about the **GetAway program**. There are great deals to be had thru the program, and there are also frequent auctions of HOA weeks online that can garner you or family and friends a week in Spicebush at a tremendous price! We suggest you contact Board member and local realtor Theresa Thomas regarding the GetAway weeks program. She can be reached at theresa@villashares.com. There are even **opportunities** to get several weeks at one time for reunions, and the possibility of stringing weeks together for an extended HHI stay. Theresa’s phone number is 800-785-3070, and she also has weeks for sale from the HOA and private owners.

We recently created and distributed an **owners’ survey** via email. We had an excellent response, but would like to expand the net and obtain the answers on a number of issues from as many owners as possible. There is a link on the website to the survey for those owners who have yet to participate. If you are not comfortable or adept at using the internet, make a point to engage your children or grandkids in an effort to have your opinions recorded!

Spicebush is the beneficiary of an exciting remake of many of the amenities **within Sea Pines Plantation**. The Beach Club has been torn down completely, and a new complex will rise in its place by next Memorial Day. The Tower Beach facility is also undergoing a remodel, with new parking and facilities. The new Clubhouse for the two golf courses just down the road from us is well along in construction, and looks quite amazing. Sea Pines Center is in the midst of an upgrade in a number of areas, and is an excellent place to shop and dine within the Plantation. All these changes bring energy to the area, and make your stay at Spicebush even more appealing.

Our Treasurer, David Shay developed an excellent analysis for the Board. With his permission, I am sharing it with you as a part of this Newsletter.

One of the many great aspects of Spicebush is its prime location very close to both the Sea Pines Beach Club and Tower Beach, a short walk from the Plantation Course and Clubhouse and a short car or bike ride to Harbor Town and the recently renovated Sea Pines Center. What you may not know is that this area is undergoing or has planned over the next few years renovations and enhancements totaling more than \$100 million. This includes a completely new Sea Pines Beach Club complex worth more than \$13 million, a \$1.2 million enhancement to Tower Beach (both of which we have access to as Spicebush owners), a new Harbor Town Club House and a complete demolition and rebuilding of the current building housing the Quarterdeck and Cafe Europa restaurants. This is an exciting time on Sea Pines that bodes very well for the increased future enjoyment of the Plantation. Based on these significant investments within the Sea Pines Plantation, a number of which are very close to Spicebush, the Board believes that Spicebush is at a crossroads in terms of our property capital plan. Do we just maintain what we have or make select investments that will enhance our current ownership experience while also increasing the appeal to new owners and the younger generation family members of current owners? While the property is in great condition for a 30+ year old resort, we have to ask ourselves if we think some select investments would not better prepare the property for the next 30 years, just like the owner of the Sea Pines Plantation is doing. That's a question the board is reviewing and looking for owner feedback to assist in this process.

As previously discussed by the Board, we are in the process of reviewing and updating the properties reserve and ongoing capital plan and developed a survey earlier this year to better understand owner views to assist in this analysis. The board sent out the survey to approximately 41% of the owners (that's all the email addresses we have) and received responses from 35%. These respondents represent about 15% of the total owners. Given the significance of this capital plan review, the board would prefer to have a higher owner response rate. Consequently, we are keeping the survey open for an additional 30 days and encourage all owners to respond. If you did not reply to the initial survey, please go to the web site - spicebushatseapines.com - and click on Survey. You may take the survey on line and submit it, or if you choose, you may download the survey, complete it and return via mail. We intend to keep the survey open until December 7.

Based on the survey responses received to date, the master bath renovation was the most popular renovation followed closely by the master bedroom furniture with the guest bathroom and kitchen appliances tied for third. For the additional amenities/enhancements question, the improved master bath was by far the most popular followed by the mounting of the living room TV (this is more of a functional change than anything) and hot tub and outdoor gas fire pit. Interestingly, more than 60% of the respondents indicated a willingness to pay increased fees to pay for these renovations or enhancements.

We want to balance the potential cost of any renovations or investments with their useful life and the value to owners. We are considering the current condition of all aspects of the property along with when additional renovation may be necessary and the type of renovation we may want to do. As we have mentioned in the past, one of our goals is to enhance the Spicebush ownership experience and that is why we are performing this analysis and looking for more owner survey responses. Please help us better understand your views on these issues. The current responses in no way represent what we are actually planning on doing, but do provide good information as the new Board moves into 2014 and sets our agenda for the new year. David Shay, Treasurer.

Let me close by **thanking you all** for your continued commitment to a wonderful Spicebush community. You have a dedicated Board of Directors who devote countless volunteer hours to poring over budget items, reading audits, reviewing and answering comments and concerns from owners, and traveling twice each year to meet and plan. We welcome Paul Anderson from Ohio to the Board, who brings with him skills as a retired CPA and is a long time Spicebush owner. We thank all the candidates who put themselves up for election. We had a deep and varied group, and it was a pleasure to see so many excellent candidates vying for a chance to help the Association. Everyone's contributions count toward the goal of keeping Spicebush the beautiful and vibrant resort we enjoy!

Best regards, and stay in touch.

On behalf of the Spicebush Board,

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