

November 6, 2015

Hello Citizens of Spicebush Nation (well, sort of...),

The annual meeting of the Spicebush at Sea Pines Owner's Association was held in Harbour Town on October 19, 2015. A good number of owners came to listen and pose questions to the Board of Directors as they reported on affairs at Spicebush. Please allow me and David Shay to fill you in on the highlights.

The Board had met on the afternoon of Sunday, October 18 at 1pm to conduct a tour of the property. We were able to see the excellent appearance of the grounds, and observe the fine new paint job on the buildings. The pool area and tennis courts have held up well, and the fire pit is not only stunning, but apparently a big hit with guests.

We proceeded to see a "model unit", and upon entering the living room immediately noticed the new TV setup. Gone is the old and tired stand, and the TV is now mounted on the wall with almost all wires and devices hidden from view. It looks more spacious and cleaner.

The dining room table base (the old wing glass legs upon which we all have hit our knees) has been replaced by a very good-looking wicker four leg base. It goes very well with the existing chairs.

The master bath remodel is still ½ complete, with the rest of the units scheduled to be redone in late November-early December. To date, reviews by those who have seen the completed baths have been uniformly glowing. They are stunning, and transform the master bedroom space.

The guest baths are being spruced up, and in the kitchens new countertop appliances are being replaced where necessary. All in all, the units appear well kept and welcoming.

The Board then retired to its conference room in Harbour Town where the sit down portion of its meeting took place. Budget review dominates, as all the members examine, discuss, and work to finesse the budget's items. As always, some expenses can be controlled and reduced, but we face rising costs in areas such as insurance, propane, electric, and other vendor services.

With our knives sharpened, and with the help of the Club Group Ltd. (our management company "CGL" – and especially Andy Sutton and Bob Long), we set about to try and bring in a budget that is realistic and calls for as low an annual dues as possible.

We have been able to limit an increase to the operating budget of \$25/year, which will bring that fee to \$700. The reserve account fee is being held at \$145/year, and

we are also in year 2 of the 3 year special assessment, with an annual fee of \$130. So, the grand total is \$975.00, which will appear on your bill in the near future.

In other news, the Board undertook an audit by an independent CPA firm to review not only the past year's books, but also to review the internal controls of CGL. As I mentioned above, they are the management company for Spicebush. We wanted to see how transparent was their accounting and their spending of Spicebush funds. Treasurer Paul Anderson of your Board is to be credited with arranging and directing this inquiry. We are happy to report that the audit was very positive, and we are comfortable that CGL is handling your monies and performing the services they are tasked with in an excellent manner.

In other news, we as a Board are ramping up efforts to obtain accurate and complete email contact information from as many owners as possible. To "encourage" the flow of such information in 2016, we are instituting a twice-yearly drawing for a prize. If you submit your comment cards at the end of your stay, and include your email contact thereon, you will be entered in a drawing for a free week's stay in a Homeowners' Association owned unit, subject to availability and coordination with the CGL. A drawing will be held in July and in January 2017. We want to be in touch with you, so please take advantage of this incentive!

I will be leaving the Board of Directors at this time, after 7 years in your service. I have appreciated the opportunity to do what I could to help maintain Spicebush as the wonderful place my family and I have enjoyed for some 35 years.

We had the election of two Board members. Theresa Thomas was re-elected and brings back to the Board her expertise in all things "Hilton Head and Real Estate". Her contributions are invaluable.

A new Board member is Kaleb Froehlich from Washington, DC. Kaleb is an attorney with a young family and hopes to bring a fresh perspective to your Board. I wish him and Theresa and all the Board the very best as they handle the reins for Spicebush! You are in good hands...

David Shay was elected the new President of the Board. He brings years of experience, a sharp eye for detail, and innovative ideas to the position. Allow me to have Dave finish this edition of the newsletter...

Thanks again,

Peter McElroy

Thanks Pete and thank you for the leadership and wisdom you have brought to the Board over the last 7 years. I have had the pleasure of serving with you for the past 5 and have appreciated the opportunity to work with you and other Board

members. We have accomplished a lot, some of which you did a great job of summarizing above.

As a Board, we sincerely appreciate any and all feedback provided by owners, exchangers and renters, so please keep it coming. We are very happy to hear the positive comments on both the Master Bathrooms and new Fire Pit. It's even better when we get a chance to sit around the fire with other owners. In addition to the improvements mentioned above, I wanted to highlight other changes that you should look forward to seeing on your next visit:

- The Sea Pines Resort is performing a total renovation and redesign of the Ocean Course. In connection with this, they are repositioning the green of the Ocean Course 10th hole that is visible across the lagoon from new fire pit.
- CGL has cleared out the brush area behind units 575-578 and installed a new swing. We encourage you to walk behind the property along the lagoon and enjoy the new view, which will be enhanced by the 10th hole repositioning.
- Our owners do have access to the newly renovated Tower Beach area. They have installed electronic access gates there, so be sure to request your access card at check-in where you receive your villa keys and information packet.

Pete updated you on the 2016 maintenance fees. I'd like to also comment that our HOA owned and defaulted owner weeks continue to negatively impact these fees. We continue to look for ways to generate income from these weeks and will be exploring rentals online through Vacation Rentals By Owner (VRBO), in addition to the getaways and last minute owner auctions we have been offering. One of our goals of the recent renovations was to increase the resort's appeal to new owners. Given the small size of our resort and the high owner usage rate (~67%) in 2014, it's challenging getting new owners to experience our home away from home called Spicebush. You are the best spokesperson for everything Spicebush has to offer and we encourage you to share that with your friends and family. In fact, we have a number of multiple unit fall and early winter weeks available for rent where you could host a family or social group reunion. How much fun would that be?

The Board and I wish you and your family a Happy Holiday Season and a Happy New Year. All of the Master Bathrooms will be complete in early 2016, so please let us know what you think about the renovations.

David Shay

President

Spicebush Owners Association

Getaway Program

As of November 6, 2015

The Getaway program initiated in 2010 continues to be very popular with a significant number of the weeks available in the program being rented resulting in income for the Association. Getaway weeks are available from \$550/week. Below is a convenient listing of available Getaway weeks which will also be put on the Owners side of the website spicebushatseapines.com and updated periodically. For further information, please call Theresa Thomas at 800-785-3070.

Owners in good standing may use the weeks currently owned or controlled by Spicebush Owners Association in addition to their week(s).

Available weeks are listed below and will be updated periodically.

There is no limit to the number of weeks you can rent.

The Getaway program is on a first come first serve basis.

There is no guarantee of the unit you will be staying until check-in.

Week	Check-in Dates	# of Weeks Available
44	11/6/2015	3
45	11/13/2015	4
46	11/20/2015	11
47	11/27/2015	11
48	12/4/2015	6
49	12/11/2015	6
50	12/18/2015	7
51	12/25/2015	3
52	1/1/2016	9
1	1/8/2016	10
2	1/15/2016	7
3	1/22/2016	15
4	1/29/2016	12
5	2/5/2016	9
6	2/12/2016	8
7	2/19/2016	7
8	2/26/2016	7
9	3/4/2016	4
10	3/11/2016	3
11	3/18/2016	3
12	3/25/2016	2
13	4/1/2016	2

STATE OF SOUTH CAROLINA)
COUNTY OF BEAUFORT)

**AMENDMENT TO MASTER DEED
AND BY-LAWS OF SPICEBUSH AT
SEA PINES HORIZONTAL PROPERTY
REGIME I AND SPICEBUSH AT SEA
PINES OWNERS ASSOCIATION, INC.**

This Amendment to Master Deed and Bylaws is made by Spicebush at Sea Pines Owners Association, Inc. ("Regime").

WHEREAS, on the 27th day of December, 1979, Resorts Carolina Corporation executed and recorded that certain Master Deed establishing the Spicebush at Sea Pines Horizontal Property Regime I, a/k/a Spicebush at Sea Pines Horizontal Property Regime No. LXXV, as recorded in Book 293 at Page 2061; and

WHEREAS, there have been one or more amendments to the Master Deed, including but not limited to the following:

	<u>Date</u>	<u>Beaufort County ROD Information</u>
(1)	12/27/79	293/2061
(2)	12/27/79	298/842
(3)	12/27/79	299/852
(4)	12/31/80	313/293
(5)	9/2/81	331/1721
(6)	11/28/86	488/282
(7)	12/9/88	572/287
(8)	4/30/92	599/341
(9)	5/21/92	671/773

The Original Master Deed, as amended, is referred to as "Master Deed".

WHEREAS, under § 27-32-320(B)(3) of the S.C. Code of Laws (1976), the provisions of the Timeshare Lien Foreclosure Act (§ 27-32-300 et. seq.) can be adopted by a timeshare upon the vote of fifteen (15%) percent of the Obligors or Owners;

WHEREAS, at a duly noticed meeting of the Owners of the Regime on October 19, 2015, the requisite approvals were obtained to adopt the Timeshare Lien Foreclosure Act and amend the Master Deed and By-Laws as set forth below:

1. **Master Deed Amendment** – New § 9 to Article VII – The following new § 9 to Article VII is added:

“Each obligor understands that, if the obligations owed for assessments of the association and for ad valorem taxes and special assessments are not satisfied and the obligor does not timely cure the default, the assessment lien may be foreclosed through a nonjudicial procedure in accordance with Article 3 of Chapter 32 of Title 27 of the Code of Laws of South Carolina. The obligor understands that he or she will not be subject to a deficiency judgment or personal liability for the assessment lien resulting from a nonjudicial foreclosure procedure, even if the sale of his or her timeshare estate resulting from the foreclosure for the assessment lien is insufficient to offset the amount of the assessment lien. The obligor acknowledges the trustee will send the notice required by this procedure to the obligor's notice address, and the obligor agrees to inform the managing entity of any change in the obligor's address. The obligor consents to notification by certified or registered mail and agrees that any person at the obligor's notice address may acknowledge receipt of any correspondence received in connection with this procedure. The obligor understands that the trustee may notify the obligor of the commencement of the procedure by publication if delivery of the notice is not accepted at the notice address. If the obligor sends the trustee a written objection to the nonjudicial procedure stating the reasons for the objection, the matter will be transferred to a judicial foreclosure procedure, but the obligor understands and agrees that in the judicial foreclosure procedure, the obligor may be subject to a deficiency judgment or personal liability for the assessment lien if the sale of his or her timeshare estate resulting from the foreclosure of the assessment lien is insufficient to offset the amount of the assessment lien. The obligor further understands and agrees that in the judicial foreclosure procedure for the assessment lien, if the court finds that there is a complete absence of a justifiable issue of either law or fact raised by the obligor's objection or defense, the obligor may be personally liable for the costs and attorney's fees incurred by the assessment lienholder in the judicial foreclosure.”

The managing entity is The Club Group, Ltd., P.O. Box 6989, Hilton Head Island, SC 29938. The trustee shall be Russell P. Patterson, Esquire, Russell P. Patterson, P.A., P.O. Box 8047, Hilton Head Island, SC 29938.

This amendment to the Master Deed shall affect all owners, past and future, their successors and assigns.

(2) Donna Lewis
(3) Russell P. Patterson

By: (1) Theresa Thomas
Its: Secretary

STATE OF SOUTH CAROLINA)
) ACKNOWLEDGMENT
COUNTY OF BEAUFORT)

I, the undersigned Notary Public, do hereby certify that the within Theresa Thomas, as Secretary, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS MY HAND AND SEAL this the 30 day of October, 2015.

(3) | Russell P. Patterson
Notary Public for South Carolina
My Commission Expires: 11/4/19
