



December 2019 Newsletter

About four months have passed since the first newsletter was posted on the new HOA website. The board apologize for the length of time it's taken to get this update to you and this is certain not to happen again. With the transfer over to a new property management company late October much information had to be moved over and the process was not smooth. We did ask Waccamaw Management to allow another 30 days but they refused. So between that action and the work being done at at the development and not having the experience on doing such a change we fell a bit behind. It's not like we have a big paid staff. In the future you will now be emailed a notice to head over to the HOA website to access quicker updates and other important information.

This newsletter will probably be one of the most important ones you receive in 2019 due to some of the changes being made. It certainly will be the longest you'll ever receive due to so much needing to be covered and the newsletter being the only tool we have to get all of this to you because so many owners live out of town. With some of these changes there will be owners experienced with this type of development that have an understanding what a property this size requires financially and attention wise and the challenges faced in having a successful turnaround. On the other side there will owners not happy with the decisions made for whatever personal reasons they have. These decisions and resulting changes were well thought out over time by the board with one singular goal of making SIP a viable and valuable property. Most decision were made following industry standards while other decision were made a bit untypical due to the unique situation SIP found itself in.

Fixing SIP has not been an easy task and it was also expensive. When the HOA fee was reduced to \$90/month that cost both General Fund and Reserve fund almost \$600,000 over a four year period. That money would have been used to properly maintain and protect the assets at SIP as well as greatly improve the amenities. The 2019 Reserve Fund audit (now posted on the HOA website) was completed December, 2018. This audit should have been executed years ago because it's a must have tool advising owners financially what it takes to care for the property and also setting the appropriate monthly HOA fee. Most likely a professional audit was done at the start of the development setting it at the \$150 level. In 2014 lowering it to \$90 when in fact it should have risen with the years was an almost fatal move but no one looked and planned for the future. Past boards really can't be blamed for poor planning since chances are most if not all never had the experience in dealing with such a situation or worked in the industry especially with the terrible downturn the market .

The following list the work done since you received the last newsletter. You can review the last newsletter at the HOA website to cover items this newsletter may not. You'll notice that the HOA site has been redesigned and also easier to use requiring no password to access documents except to pay the HOA fees.

-Mt. Pleasant based CSM Management was chosen as SIP's new property management company in October. We believed it was time for a change and had planned on doing just that but decided not to make that known to Waccmaw Management until January 2019 when we would be in a better position to execute the changeover. Unfortunately Waccamaw Management most likely saw the writing on the wall or someone said something to them and they beat us to the punch and sent a 60 day termination letter. They also didn't seem to like that the board had taken over a large amount of the responsibilities to get the work done at SIP. Oddly they never thanked us for being a client for 12+ years which is typical of how the company approached managing SIP. With CSM you'll find a more owner friendly management and quicker attention to your concerns when calling or emailing them. Their contact information can be found at the HOA site.

-The perimeter fence where boards fell out on a regular basis even with the slightest breeze have been permanently repaired. We do a check of the fence line every few days and catch 1-2 that we've missed and fix them permanently. There are about 500 total boards.

-The downed oak tree on lots 71/72 were removed after being there for two years. Another large oak that split will be removed in the next week or so. Some lots have down trees that have been there for years and will be removed and owners billed for the removal by end of February.

-Clubhouse concrete patios areas front and back have been repainted in a darker gray and look great.

-Nest security cameras (4) have been installed at the back and front of the clubhouse which also includes pool coverage. Nest digital locks are now at the front and back door entrances. These locks are controlled by CSM and can be opened remotely when a vendor needs to come in and do a repair. Please contact the property management company to get your new clubhouse code. There is also a tracking system if we need to know who accessed the clubhouse 24/7. Soon we will install the same locks on the exterior bathroom doors.

-Phase II of new signage has been installed and includes new signage for the clubhouse, pool, gatehouse and commons areas. All stop signs were replaced. By end of February all street signs will also be replaced with a better grade and style fitting SIP. Oddly the old street name signs were made out of a thick Styrofoam type material and the appearance quite dated.

-Presently the small office next to the bathrooms has been setup as the HOA office. This room is primarily used to store important documents and records of SIP. Access to this office is only by board members. Later we will have it setup with a computer/printer for emergency use should your home system have a problem or you just need to use it at times.

-Free standing and attached electrical boxes at the clubhouse and gatehouse were painted.

-New venting fans were installed for the pool pump house and chlorine room.

-Docks: Two 8' cedar swings were installed at the end of the dock. The north end floating dock system was sold and removed making way for the new dock system. We saved the \$4,000 fee to have them removed and sold them all for around \$2,000. The new dock system setup will include approximately 30 drive on docks allowing owners to keep their boats on the water 24/7. There will be drive on docks for jet skis as well as a kayak boat launch and storage and a fish cleaning station. On the cul de sac at the dock entrance the left side is reserved for golf cart parking with about 10-12 spots and storage for 4 dock carts for owner to transport supplies to their boats. The asphalt at the cul de sac has also been sealed, the entrance lights leading to the dock were replaced, posts painted and signage installed warning that the entrance and docks are video taped 24/7.

-Nine street light bulbs have been replaced on the streets. You may not be aware but street lighting ends after you turn right to the clubhouse from the entrance. Past that point there is no more lighting. These lights, provided by the city, will be added as homes are built. The cost for each additional light which is owned by the city of Georgetown is \$35/month.

-The irrigation pump system seems to have been one of our biggest expenses having to install new pipes, pump, pressure regulator and air tank. The previous newsletter quoted 400+ sprinkler heads as part of the system which was incorrect. The system has almost one thousand sprinkler heads and a large number have been replaced. There are still probably about another few hundred to still replace or be cleaned and this will be completed before the spring. The old units weren't the best of quality to begin with and the lifespan of this particular rotor spray heads runs about 5 years. It's been a bit of a monster but when finished it will be well maintained so this expense won't have to be revisited. It's a glorious thing to see the system running. The common areas at SIP are quite extensive.

-The juniper bushes surrounding the fountain at the entrance were removed and replaced with sod and landscaped. A new pump unit and lights were installed in the fountain. A flag pole was added to the entrance with the American flag soon to be joined by the South Island Plantation logo flag.

-The gatehouse was cleaned, painted, new bathroom facet and toilet seat installed. Nest security cameras were installed to cover traffic that visits and depart the property at the gate house. All video coverage is stored for 30 days. Digital locks were also installed on the 2 gatehouse doors. The gate password assigned to you remains the same. If you've had a problem with it please contact property management to correct that for you. If you live out of town and unable to get through the gates feel free to call CMA during the week or one of the board members on the weekend who will get you in. Contact information is posted at the gate.

-Hundreds of bushes & trees that have grown around the pond and streets and also blocking many lots that had wonderful water views have been removed. Left in place were the valuable trees such as cypresses and oaks. The south end of Oak Lawn had beautiful water views but over time disappeared due to the overgrown landscaping. Everything was removed minus the cypress trees and marsh grass and looks stunning. The lots curb appeal has been greatly improved now and hopefully the value of those lots making them highly desirable.

- Continued landscape improvements will be an ongoing process throughout 2019 but a good part of that work has been completed. We estimate to date that over 20+ truckloads of bad landscape were removed. We have a number of grass areas in the common areas that were overtaken by weeds and next year we will work on those areas so 2020 the grounds should be in excellent shape.

--Cable/Internet/Phone. SIP had the infrastructure setup for this but over time because of the lack of use and maintenance this needed a lot of attention. One challenge was It took almost 4 months to get Spectrum cable to send their teams out to do the repairs which took about 4 weeks. It's as if SIP didn't exist on their radar. Now all SIP lots have the newest and highest speeds for tv, internet and phone system for all lots.

--All pressure washing work has been completed. The final project was cleaning all the curbs and sidewalks which took about 5 weeks to get done. The dock walkout (1000'+) took 10 days to clean and had to be done twice. The dock walkout had never been cleaned. There was heavy vegetation growth on the side of the dock walkway facing the street which was removed. Also water was finally connected to the docks. The dock pipe had been ran but never connected nor did it have a main line from the street which the city installed.

-The pond levels were never properly adjusted and they are now. The level of water is now much higher promoting a much healthier pond system and greatly improving the fishing. The old signs were not friendly ones screaming out NO FISHING and WARNING ALLIGATORS. See sample of signs now found at all the ponds. There are 9 separate ponds and all will be given names so over time homeowners can refer to a particular pond where the fishing was good that day to neighbors or to meet a neighbor to do some fishing.

-Front Entrance Brick Wall/Signage lighting. No wiring or lights were ever installed although the electrical boxes were there as well as the conduit pipe to run the wiring. This work was done and lights installed on photocells. South Island is now completely lighted at the entrance and looks stunning with the fountain and gatehouse. In the spring the front brick walls will be newly landscaped.

-The left and right signage on the brick with the south island name was removed and is being replaced with a much more distinguished lower key signage fitting a luxury gated community. See attached.

-A variety of signage throughout the development was installed. See attached.

-There were never umbrellas provide at the pool that we know of and now there are. The material of the umbrellas is the Sunbrellas brand which should hold up to the weather for years to come. The baby pool would get too hot during the summer and a large cantilever umbrella was installed which now helps keep that pool much cooler in the middle of the summer.

-Sink holes on common areas and roadways have been fixed and asphalt sealed over them. We still have a problem spot where the storm water pipe will most likely need to be unearthed and repaired or replaced. We tried an easier less costly repair but that didn't work.

-Signage was placed at the gate house and clubhouse displaying the property management company's contact information. This will be helpful when someone needs access but unable to get in without a code. CMA will be able to remotely open the gate as well as the clubhouse doors and also see who is at the gate with the newly installed Nest cameras.

-All wedding obligations have been fulfilled. The last wedding was 11/10 and that event and the one the week before operated without a problem. The property will now be limited to owner parties but in the future we may offer the property for 4-5 weddings a year but in the range of \$4,000-\$5,000 and not the former rate of \$1,000. We will play that by ear.

-A new clubhouse and pool rental policy has been produced and can be found at the HOA website. You'll find the clubhouse/pool rentals price to be much more reasonable for owners as they should have been. Also request for pool parties will be reviewed on a case by case basis to ensure that it doesn't inconvenience owners not being able to use the pool during the season.

-The Reserve Study has been completed and can be found on the SIP HOA website. This detailed audit report is a long-term capital budget planning tool which identifies the current status of the reserve fund and a stable and equitable funding plan to offset ongoing deterioration, resulting in sufficient funds when those anticipated major common area expenditures actually occur. It's recommended that all owners review the audit as well as the budget.

2019-2020 Planned Projects

-New Dock System. The survey and plans should be completed by mid February. Part of the plan is to move the dockage out further which at low tide will average 4-5' deep. Some may be familiar with the terrible situation at Belle Isle and how the marina has just about shut down operations due to the amount of silt that has built up around the moorings. Thankfully this will never be a problem at SIP.

-Pool Tables (2)

-New TV Screens (2)

-Replacement of gym floor and gym equipment

-New Street Signs

-Stand Pipe System Repair: This is the 5" pipe line that goes from the street to the end of the dock for the fire department to hook their fire hose to the hydrant to in case of fire. It will need to either be replaced or repaired. This will be done when the docks are being built.

-Dock Gate – This will be a nicely designed metal gate that will be accessed with a swipe card or nest lock system and located about 25 yards from the start of the dock. This distance out improves the difficulty of reaching the dock from the ground.

-Repair and Seal Coating of walk/bike path. We have about 3 miles of walking path and plan on doing this in phases.

-Landscape renovation which will include the front of clubhouse, common areas & cul de sacs and main and rear entrance. We are also going to take a good look at planting privet hedges along the fence line boarding South Island Road. These hedges are famous for their fast growth and used as a privacy hedge that grows up to 3-4' per year. By year 3 the homes that butt up to the fence line will have privacy from the road greatly improving the value of those lots next year.

-Dock Signage – To be located at the concrete sidewalk that leads to the dock walk. A second sign will be installed at the end of the dock facing out to water for boaters looking for the property to more easily identify the property.

Important Changes to Read about

Much research has been done reviewing similar gated communities when it came to how properties are maintained, how to keep them financially in good shape, HOA fees, by-laws, covenants and ARB guidelines. SIP is a bit unique because for years it's been a ghost town almost as if it never existed outside of its former golf course glory but that is changing. Much of the renovation work has been done, plans to greatly improve the overall amenities are in the works and SIP will be turning the corner towards making this a highly desired property to build and live at. The following are the changes approved by the board on (date) and effective (DATE)

HOA Monthly Fee Increase

After reviewing the budget and the reserve fund audit the board has decided that the HOA fee will increase starting February 1, 2019 to \$150/month. This amount is lower than what is required according to the audit but we felt it best to take it year by year and not overwhelm everyone.

Lot survey markers and ID lot markers

-The HOA must know the boundaries of each lot which is at this time is impossible to determine. Over time the lot markers and signs have disintegrated or missing. Starting the end of February all lots will be required to be resurveyed by ABC surveyors and stakes installed at the two front points of your property as well as a marker with the number of your lot to be placed front and center. SIP received an excellent quote of \$100 for each lot. The lot ID number markers have also fallen into disrepair or missing and must be replaced. The cost for markers installed is \$75. All lots will be surveyed and markers installed no later than the end of February. This will be billed to you in advance by CRM. (See attached for sample)

NOTE: With the new lot markers no for sale signs may be attached. If you desire to put your lot on the market these lots will be added to a Lots for Sale listing sheet to be found at the gate house entrance of the property along with the name of your agency representative and their phone number. If you do not

want to use an agency your lot can be included on the Sale Listing sheet but you would have to escort any person that wants to see your lot in person. All visitors to SIP must be accompanied by an agent or an owner starting January 1, 2019. There are two reasons for this. Securing SIP is a very big priority to the board now due to past experiences of having a large number of people who shouldn't be at the property wondering around which can no longer be the case. The other reason is that's it's much smarter to turn your property over for sale to a real estate agent especially if you do not live in the area. They would need that person to not only access the property but also the clubhouse and pool and soon the dock system. Agents will also do a better job being able to answer the important questions related to the history of SIP and it's future, about the surrounding area and all that living at SIP is all about.

New Pool Use Policy

-Over time we noticed the pool area being used by a large numbers of people who do not own lots at the property. This will not be allowed any longer. Owners must accompany any guest(s) at all times and also limited to only 2 guests along with immediate family. It wasn't unusual to find 8-10 in a group using the pool that shouldn't be allowed. This kind of use over time has taken a toll on the pool furniture and some do not care about cleaning up after themselves or care about the pool policies. The new pool policy signs which are found at both entrances to the pool clearly states this rule. A first occurrence will incur a loss of the use of the pool for one month as well as a \$100 fine. In the spring the pool entrance will require a swipe card. If you lose your swipe card the cost is \$200 to replace it. This high cost should help avoid the card being passed around to friends. There is a \$10 charge if the card is damaged and sent to the property management company to be replaced. ONE pool swipe card will be issued per lot.

INest Coastal Realty

During the past few months while working on the property we met with some real estate agents and brokers. With all this work done and the work and improvements planned for 2019 how do we greatly improve the chances that builders will build and present and future owners will come to live at South Island Plantation. How do we get the word out to the real estate professionals and let the marketplace know that south Island Plantation is open for the business of building homes? Outside the gates SIP is known for a great place to have a wedding and formerly a great place to play golf. It is not known as the place to build a home and that needs to change dramatically.

INest Coastal was designed to market SIP throughout the surrounding market and the US taking advantage of the popularity of living on South Carolina's coastline. No other agency has stepped up to the plate to do this other than an agent or two that often sell lots at prices we feel are way below market pricing. No efforts are being made to work with banks and appraisers to bring the value of SIP to the forefront as a luxury ICW located gated community. No web site touting SIP in the market has ever been built. No organized plans have ever been devised to be on site to represent owners who want to sell their properties or to solicit builders of high standard to build here. That is what INest is designed to do . The company has worked out a lease with the board to use the gatehouse for it's on premise office

for \$450/month which will be manned 5-7 days a week from 10pm to 5pm. To have an agency strictly focused on South Island Plantation is an excellent opportunity as well as a smart move. To have the gatehouse manned for the first time in 13 years is an added bonus. Owners that presently have their lots on the market, considering putting their lots on the market or interested in building at South Island in the future INest Coastal will be a great service to turn to. They have gone to great lengths to reevaluate the prices of lots and plan open house functions with other agencies. They have also began meeting bank loan officers and the appraisers most used by the banks to ensure all are well educated on the value of lots and future homes at SIP. The company plans on sending each owner information on their services in February. NOTE: INest does not have an exclusive on lot and home sale at SIP and all agencies are warmly welcomed to do business at SIP.

INest Earthworks

Out of 365 days landscape maintenance is carried out by our present landscape provider 93 days a year. That includes bushhogging lots, mowing/trimming and edging the common areas, blowing sidewalks and roads for the contracted price (see 2018 budget). Additional services that cost extra are palm and tree pruning, weed control, tree trimming , pinestraw and removal of tree limbs. The new landscape and maintenance company formed specifically to take care of SIP has been named INest Earthworks. This company will handle the landscape maintenance as well as the general maintenance that includes the pool and clubhouse, painting, pressure washing, plumbing and general small repairs. For major repairs related to HVAC, electric and plumbing then outside vendors will be used. INest Earthworks will work at SIP 272 days a year compared to the 93 days our present landscaping company is on site and limited by past management and boards as well as itself to only a percentage of the landscaping service needs of SIP. The day to day overall curb appeal of SIP will greatly improve and stay that way 365 days a year.

Change in Board Presidency

No one has stepped up to the plate to change the fate at SIP more than Randy Jarvis. Thinking being on the board would be an enjoyable distraction from overseeing the Charleston Bakery little did he know what the future would bring and how his efforts and energy has and continues to transform SIP into a winning development. His thoughts were that he would get the property moving in the right direction and then remove himself from the board come June. He began to fear the lack of leadership for the next stage of ensuring the future of SIP being a bright one hence his forming the INest operations and working on site for the next 2-3 years to ensure that happens. Randy abstains from any votes related to any items related to these two new services at SIP. His plans in June 2019 is to vacate the Presidents position to ensure that there is not a conflict of interest that arise and also to push hard for other like minded owners to step up to devoting some time to South Island Plantation's future. The time has come to get involved.

Please feel free to email or call any of the board members. Contact information can be found at the HOA site.

Sincerely

The Board of South Island Plantation



Renovation of Fountain



Lighting installed at Entrance



New Signage at Entrance



Spectrum Cable Repairs



Spectrum Cable Repairs



New Dock Walkup Lighting



New Signage



Clearing of waterview areas



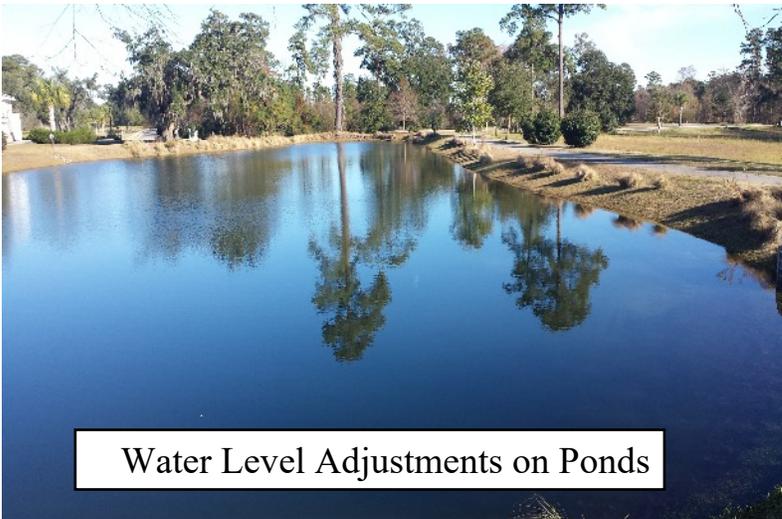
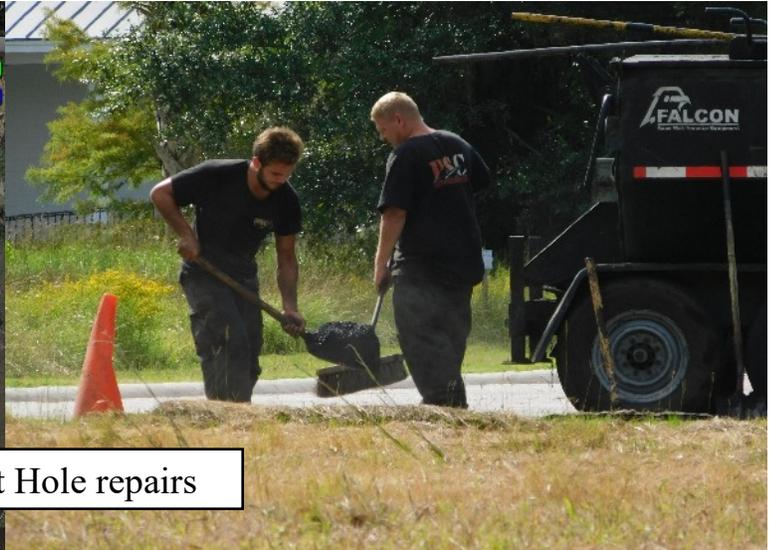
Repainting of clubhouse patios



Seal Coating of clubhouse Road



Sink and Pot Hole repairs



Water Level Adjustments on Ponds



New Roofs/Painting for Gazebos



Irrigation Repairs





New Signage





Newly Installed Flagpole



Removal of Down Oak Tree on ICW



Old and New Lot Markers



Seal Coating of Entrance Road



Renovation of boat storage barn paid by tenant who lease/shares area with lot owners for boat storage

I Nest Coastal
RESIDENTIAL & INVESTMENT PROPERTIES

I Nest Earthcare
LANDSCAPE & PROPERTY MAINTENANCE

SIP's new On Site real estate agency and Maintenance service



New Irrigation Pump Motor



Gate House Accident was repaired



New Irrigation Rotor Sprayers



New Dock Swings



New Dowling Builder Model