

SIP President's Update

April 23

Dear SIP Owners,

The SIP HOA Board would like to update you on what has taken place at SIP this past quarter:

1. **SIP Website.** The Board has made all its actions as transparent as possible and has posted a plethora of information on the SIP website. Please visit the site. The Board updates this site frequently: <https://southislandplantationsc.com/>
2. **New Management Company.** After many complaints from the members coupled with the SIP Boards assessment of declining performance in many areas, the SIP Board of Directors voted to end the contract with First Service Residencial (FSR). The Board has selected Real Manage as our new Management Company. Real Manage has many different portals that members and the Board will have available to look at SIP data in a timelier manner. I know that changing management companies is a pain as there always is a drop in services during the transition. The Board felt strongly that this was the best course of action for the long run given the unsatisfactory performance of FSR. Real Manage experienced a number of issues upon taking over the management of SIP. Real Manage did not receive the proper data and received late data from First Service Residencial. In addition, Real Manage had personnel issues resulting in SIP having multiple interim managers. The results of all this were an even a more drop in services than anticipated. We now have in place a full-time competent and energetic manager, Nicky Chance, who is quickly catching up on 6 months of spotty management.
3. **Lot Consolidation and waiver of HOA Fees.** The Board has voted to end the program on 1 June 23 where only one HOA fee would be applied after the County approves lot consolidation and the member starts to build. In the two years that this building incentive

was put in place only one member asked to take advantage of the program. Lots can still be consolidated at the County but going forward there will be HOA fee for each lot consolidated.

4. **Docks. No change.** Both the State of SC and the US Army Corps of Engineers have approved SIP for deep water docks and have issued permits. The Board thinks this will be significant in terms of marketing SIP as developers and buyers always want access to deep water which will allow SIP a variety of watercraft in our community. SIP also has a storage area for homeowner's boats and trailers. The SIP Dock Committee is meeting and will decide on how best to proceed building SIP docks. The Committee has received three bids. To complete the entire project it will cost over 500,000.00. The project will be phased. Phase I will be the base dock from the ramp. Phase II will be the long runway leading to the T in deep water 6' at MLW. Phase III will be the north side of the T. Phase IV will be the south side of the T dock. The Committee would like to build Phase I and part of Phase II at a minimum. Currently, the Committee is investigating financing with a financial institution. How much of the dock project SIP builds depends on how much financing is available, the interest rate, and the length of the loan. The Committee and Board will insure that the SIP monthly loan payment can fit into our monthly SIP budget. There are no plans for special assessment to complete the dock project. (The HOA FEE INCREASE IS NOT RELATED TO THE SIP DOCK PROJECT). The Committee was still pursuing financing and contracting options. SIP had a financial advisor review our financing before approaching a local bank. SIP had planned to meet with a local bank in early FEB to secure financing with a start date early in 2023 but the financial statements were not reflective health of SIP as several members never received instructions as to where to mail there HOA dues. As soon as that situation resolves itself, we will approach the bank so SIP can start the dock project.

5. **Security.** The Board is still not satisfied with the gates and codes at SIP. This was a major issue with FSR. The Board feels they failed to get this corrected resulting in problematic operation of gates and issuing of gate codes for the SIP members. The Board will be working carefully with the new management company to get these issues corrected. The Board plans to re-issue all new security codes to members soon. The Board is also looking at putting in FOB gates at the pool.

6. **Pond Spillway.** Sanders Construction is evaluating the pond spillway and some additional storm water sinkholes to repair. **Still working issue.**
7. **Landscaping Company.** The SIP BOD is very pleased with our landscaping company. The Moore BROS are doing an excellent job. You can read the quarterly landscaping inspection reports on the website. The Board has received many complimentary comments from owners who have had the opportunity to visit SIP recently. Please visit SIP if you have an opportunity. The Board has extended the current contract for five more years with the Moore BROS with no price increase.
8. **Current Situation at SIP.** Despite the current economic conditions interest in SIP remains high. Real Estate agents report interest much higher than three years ago. Currently there are 15 homes built or being built. At least 9 families have moved in. There are four spec homes for sale. Seven lot owners have stated they will be submitting plans soon to the ARB. Based on the data we have now I expect at least nine starts in 2023 and it could be more than that as the year progresses. All homes in SIP follow the SIP Building Guidelines for custom homes.
9. **Boat & RV Storage Area Committee.** The Board voted to establish a committee to coordinate current use, improve, maintain, and develop plans for future use the 3+ acres that SIP owns across from the plantation. Bob Rice, currently building a home in SIP, will head this committee. Bob supervised the clearing of brush and trees along the fence line in preparation for increased use of the storage area.
10. **Community Mail Boxes.** Postal regulations have changed since SIP started. The US Postal Service (USPS) will no longer deliver the mail to individual homes in gated communities. The USPS requires central mailboxes. The USPS wants SIP to put in the remaining mailboxes now since homes are being built throughout the Plantation. This was not planned when the community was first designed. It was designed so that each home would have a mailbox provided by the builder. Since this is no longer allowed the USPS wants mailboxes installed now. The cost is over \$40,000 for 180+ boxes. The Board has contracted with a contractor who specializes in design and construction of mailboxes in consultation with the USPS. Construction will begin soon by the clubhouse. **NO CHANGE.**

11. Buyer and Seller Fee Increase. As we are well aware inflation has hit the country hard this year. SIP cannot maintain and repair the Plantation at the same cost as last year. A financial advisor recommended some additional fees that most other communities have but SIP does not. The Board is considering a one-time capitol assessment fee of \$500. This fee would only be for **future** residents when purchasing land or a house in SIP. The Board is also considering a property transfer fee payable anytime a lot or house is sold in SIP. This fee would be \$500 also. These fees would help offset inflationary pressures and keep the HOA fee as low as possible. Our HOA attorney has recommended a change in the by-laws. These recommended changes will be voted on by the members at the annual meeting in June.

12. Annual Meeting. The Annual Meeting will be on 3 June @ 10AM in the SIP Clubhouse. Hope to see you there.

The Board is working hard to maintain SIP as a very desirable place to live and facilitate houses being built in SIP that comply with the SIP guidelines.

Kevin C. Dopf

President- South Island Plantation