

The Board of Directors



THE PRESERVE

Condominium at Indigo Run

Owner's Association

Year-End State-of-the-Preserve Letter 2011

Hope you all had a great summer. Just as last winter brought us record cold - again - this summer brought some incredible heat, (can't stand those 90/90 days) and near drought conditions. So far the late summer/early fall has been outstanding. We've had some great storms that brought just enough wind and rain to cool things down and refill our canals, but not enough to be a problem.

You should have received our annual plea for proxies and the dates of the Christmas Party and owner's meeting. If you haven't already, PLEASE mail in your completed, signed proxy. It makes no difference whether or not you love how the Preserve is being run or not, if you're NOT going to attend the annual owner's meeting....YOU HAVE TO FILL OUT AND MAIL IN YOUR PROXY.

Best news first. Again, we see no reason to raise the regime fees. The budget you received is exactly the same as last year. Despite some rather costly projects along with paying the increase in insurance from reserves (see below) we'll still add to our reserve accounts. The Preserve continues to be one of the most financially sound regimes on the Island.

Ongoing.....The following is primarily for newer owners, and indeed we have several, as the veterans have heard this all before.....The board has taken a very pro-active approach to physical aspects of our community, as well as the more human aspects I call the quality-of-life issues. Both these areas contribute to overall satisfaction of the owners and tenants and thus property values. We live on an island and enjoy all the benefits (which are many) of that location. We are also subject to unique aspects that come with island property ownership: heat, humidity, salt air, threat of severe weather etc., all are part of the negative aspects of making a choice of owning property on a semi-tropical isle.

Our buildings are wood and stucco structures. Whenever leaks show up (and they always will) we do not 'patch' them which seems to be the norm elsewhere...we repair them by adding flashing, new roofing materials, pressure-treated wood, etc. This is obviously more expensive in the short run, but the job is done right and indeed in nearly all instances the problems do not reoccur. More importantly, reports of leaks have become less and less frequent of late, indicating that problems have indeed been taken care of properly and our pre-emptive care programs are working.

I guess my point is that maintenance is an ongoing and critically important function, and an expense that simply has to be carried out to maintain and even improve our asset values at the Preserve...or anywhere else for that matter. Much to the consternation of my wife, Jan, I have walked around more roofs with our roofers than I would ever have imagined possible. I have satisfied myself that our 'problems' are attributable to the fact that we're 11 years old, (a teenager in 'building' years) and are showing the normal wear and tear one would expect in this climate. There are some inherent problems that came with our unique, national award-winning design and architecture, but nothing that would be considered serious and they are being dealt with as normal maintenance

and repairs are made.

As fall approaches we're going to go with last year's successful program. The leaves will stay where they fall until there are enough to blow and VACUUM up. Blowing them around so they just blow back onto the road is still plain lunacy. The man-hours we save will be put towards more useful landscaping projects. Actually, I like the sound of crunching leaves underfoot...guess you can take the boy out of NJ but....

More and more of our flora are perennial, and selected to bloom at different times of the year. Our winter period has always been more of a challenge. Hundreds of Camellias and Azaleas have been selected to provide a multi-colored display starting mid to late November. The shrubs have also been selected for both early and late winter bloom periods. From the fauna point of view, this was probably the most active Copperhead season I've seen in 8 years. Some say it's due to the unusual weather we had last spring/summer. Whatever the reason we seemed to have survived without any problems. That said, several of the buggers met their demise at the end of a nine iron.

This past year was both busy and productive. We added the usual 'sparkle' (more so this year) and more mundane, but very necessary improvements:

- The pool was completed and turned out extremely well. The Azure Blue we fought for (4 go-rounds with the State DHEC really) was worth the effort. The cushions and umbrellas really set the area off.
- Landscaping around the fountain side of the pool was removed and replaced with more 'tropical' palm trees and ground plants.
- Four 15-foot cherry trees were planted.
- A sickly looking primary tree across from the mail kiosk was removed and replaced with a magnificent Phoenix *Sylvestris* palm....I believe the only one on the Island. We had originally planted a Canary Island Palm which bit the dust before the one-year guarantee ran out ...fortunately the Phoenix was free.
- The roofs were blown clean.
- A new back machine was added to the fitness center.
- 15 trees were topped off due to safety concerns. Several were 80-foot pines, and
- All trees with branches having an impact on buildings (all 42) were trimmed back.
- The compactor was repainted.
- We commissioned a Disaster Recovery Survey which was completed and filed with the town. Should there be a disaster...hurricane, flood etc. the Preserve will be able to begin rebuilding without having to go through the permitting process, putting us at the front of the queue.
- Several of our very tall pine trees, unfortunately, had to be taken down due to extreme rot at their bases.
- Our aging Cedar trees around the fountain were limbed up and Camellia bushes planted not only in-between the Cedars but swept around the lawn area to extend the blooms that will pop in the fountain circle itself. They will also eventually provide a living wall blocking the views of parked cars at the 8 building.

At our board meeting 11 Oct. several ongoing problem areas were dealt with.

1) **Increase in short-term and/or vacation rentals by absentee owners.** Master Deed/Bylaws and our Rules, Resolutions and Regulations prohibit any villa being marketed as short-term or vacation rental. This is a residential community. Our facilities are not designed to accommodate residents looking for a fun-filled 10 days. Indeed, this is exactly what they should be looking for...they're on vacation...it just can't be here. They have absolutely no knowledge of our rules and regulations and behave in a manner that might be very acceptable at a hotel or vacation resort but is very disruptive to a community such as ours. Prohibitions of this type of villa use are well defined in our Master Deed/By-Laws. A resolution was proposed and passed specifying the penalties that would be imposed on any owner and resident occupying a villa on a short-term rental basis. **Any owner renting their villa on a short-term basis (less than 61 days-furnished - nine months unfurnished) will be fined \$50 each day the villa is occupied by short-term tenants. Further, the tenants will be informed that their tenancy is illegal and the Preserve's Pool, Fitness Center and Tennis court are not available to them.** Basically, we need input from residents that hear (usually at the pool) that groups are indeed being rented to on a short/vacation basis.

2) **Dogs.** We have an extremely good reputation as being one of the Island's most pet-friendly communities. We must have 100 pooches. Considering the very high pooch population, we have relatively few problems such as obnoxious owners thinking their dog's poop belongs where it's deposited. Why? Quite simply because we have strict rules regarding troublesome behavior (either dog or owner) and the rules are enforced. But most importantly, we have an exceptional pet owner population that looks after their home and dislikes thoughtless owners as much as the Board does. Kudos to that 99% of resident pet owners. For the other 1%, no dogs over 80 pounds are allowed, neither are Pit Bulls, American Bulldogs, Rottweilers or Doberman Pinschers. This weight and breed restriction is rather common on the Island. The Preserve is not unique in enforcing these rules. Incoming tenants/new owners not told of these rules (see next paragraph) will, nevertheless be fined continuously until the problem dog(s) are removed or in the case of a tenant, evicted for cause.

3) **Any owner is free to rent to a long-term tenant.** This can be accomplished through a licensed professional agency or handled personally. No matter who places a tenant, that tenant is obligated to abide by the same rules as every other resident. Tenants must be provided with a copy of the Preserve's rules and regulations and should be checked (for the owner's sake) for past landlord's opinion, overall credit and (for all our sake) a background/criminal check. They should be informed of our pet and vehicle restrictions (no commercial vehicles, no vehicles that can't fit into a regular parking spot (max 20 ft.), no RV's, trailers etc.). If any tenant does not conform to our rules and regulations, and protect all our values (financial and quality of life) the board has the power to file for eviction at the owner's expense. ALL tenants should be provided the landlord's and/or agency's number that can be called 24/7 in the event of problems. The Regime provides such services for emergency matters but cannot get involved with 'owner' issues such as an air conditioner going on the fritz at 3am Sat morning in the middle of August.

4) **Satellite Dishes.** Simply put, they're not allowed. Actually they're illegal in many of the Island's communities, and for good reason. Installation is by unlicensed subcontractors with no insurance and no bond. The Regime has absorbed considerable expense in correcting structural problems caused by these installations. Shingle damage, wood rot and stucco damage are common. All dishes are coming down. When our roofers go up to do other work they remove dishes and repair damage. Anyone with a dish installed before 2008 are 'grand-fathered' in. Proof of installation prior to 1 Jan 2008 is required.

5) **Parking, a problem that is never-ending.** Our developers left us with way too few parking spaces. There are 84 'public' parking spaces. Half these spaces are used by the occupants of our, no-garage, one-bedroom Azalea villas (two people, two cars, one assigned spot). This leaves 600 people, 600 cars with 42 spaces to use. Now you add the Hawthorne residents with ONE garage and..... Remember musical chairs when you were a kid? This issue will be aggressively addressed in the New Year. Quite simply, residents are getting tired of subsidizing other owner's free storage space, (their garage) by having to endure the semi-permanent take-over of spots that belong to ALL.

One other item. All communities have their rules and regulations. Most of these standards were set by the developers and basically set in stone because they're contained in the Master Deed and By-Laws. These documents need a super-majority vote to alter...something quite unlikely considering the fact that just getting enough proxies to hold a meeting is rather arduous. 600 people live in the Preserve, each with their own personalities, likes and dislikes. A Budweiser neon light in the window would be okay by some standards - as would painting the front door pink. Many, not all, of the rules, resolutions and regulations, are designed to accommodate as much personal freedom as possible while looking after the entire Community's better interests, safety and asset protection. The other RRR's are for all our safety and for obvious reasons even more aggressively enforced eg: glass at the pool, barbaques on balconies/garage, warming up motorcycles in the garage, etc.

Prevent, Maintain and Improve...This is our goal at the Preserve. We inherited a beautiful community when the Preserve went 'condo'. We have strived to not only maintain the original beauty of the grounds and quality of life the Preserve has come to represent Island-wide but also to embellish wherever possible. Landscape upgrades in the form of new perennial planting (they don't need annual replacement), hardscape projects (such as our fountain walls) and new-replacement trees, are always part of the landscape budget. These are the things that protect our asset value.

NO RRR is worth anything if not enforced. Jan, myself and the entire board take our jobs very seriously and we feel that enforcing the RRR's is one of the most important aspects of our obligation to all owners, basically protecting the many from the few. That said, it is the most disagreeable aspect of our jobs and there are times (after seven years you would have thought I'd have gotten over this) when I just can't fathom what makes an owner or tenant do things or permit things to happen that directly detract from the very reason they came here. Good, got that out of my system.

Quality of life and physical beauty all play a major part in preserving our community's desirability, I'm sure you'll agree. We will always err on the side of protecting owners' values.

Looking forward to seeing you all at the Christmas Party and the annual owner's meeting.



Ross Pascall, President - The Preserve at Indigo Run Owners' Association