

**Association of Sea Pines Plantation Property Owners, Inc., and The Advisory Board
(ASPPPO)**

Board of Directors Meeting
Videoconference and YouTube Stream
Thursday, February 4, 2020, 9:00 a.m.

Agenda

1. Call to Order Scanlon
2. Establishment of Quorum Thomson
3. Executive Session Scanlon
 - a. Approval – Board of Directors Call to Executive Session *
 - b. Contracts, Legal, Personnel Matters
4. Board Meeting Reconvenes Scanlon
5. Ratify Approval – Board of Directors/Special/Organizational Meeting Minutes, November 12, 2020; November 30, 2020; Organizational Meeting Minutes, January 14, 2021 * Thomson
6. President Remarks Scanlon
7. Financial Update Todd
 - a. Acceptance - Financial Statements, Year-End/December 31, 2020 *
8. ASPPPO Updates
 - a. Architectural Review Board (ARB) Stevens
 - b. Communications Thomson
 - c. Website Updates Scanlon
 - d. Land Use Management Committee (LUMC) Guazzo
 - e. Short Term Rental Committee Ellis
9. Unfinished Business
 - a. Approval - Land Use Rules Vote * Guazzo
 - b. Name Change Scanlon
10. New Business Scanlon
 - a. Announcement – Date of Record, Annual Meeting, 2021
 - b. Membership Committee/Email List Drive/Surveys
 - c. Approval – Membership Committee Charter, 2021 *
 - d. Administrative Business Model Task Force
 - e. Legal Support Task Force/Name Change
 - f. Covenant Change Task Force
 - g. Neighbors Helping Neighbors Foundation

11. Adjournment

Recess – Five Minute
Q & A Session – Questions from the Community

Reference Material Attachments

- Resolutions, February 4, 2020
- ASPPPO Board/Special/Organizational Meeting Minutes, November 12, 2020, November 30, 2020, January 14, 2021
- Financial Statements, Year-end December 31, 2020
- ARB Density Report, December 31, 2020
- ARB Status Report, YTD/December, 2020
- LUMC Status Report, January 20, 2021
- LUMC Rules and Regulations, Revised, December 23, 2020
- Membership Committee Charter, 2021

* Denotes Action Item

**Association of Sea Pines Plantation Property Owners, Inc. and The Advisory Board
(ASPPPO)**

Board of Directors Meeting
Videoconference and YouTube Stream
Thursday, February 4, 2021, 9:00 a.m.

Resolutions

- Resolution for 3a. **Approval – Board of Directors Call to Executive Session:**
“**RESOLVED**, Association of Sea Pines Plantation Property Owners, Inc. and The Advisory Board, approves call to Executive Session”.
- Resolution for 5. **Ratify Approval – Board of Directors/Special/Organizational Meeting Minutes: November 12, 2020, November 30, 2020, January 14, 2021:**
“**RESOLVED**, Association of Sea Pines Plantation Property Owners, Inc. and The Advisory Board, ratifies approval of the Board of Directors/Special/Organizational Meeting Minutes: November 12, 2020, November 30, 2020, January 14, 2021, respectively, as finalized by email”.
- Resolution for 7a. **Acceptance, Financial Statements, Year-End/December 31, 2020:**
“**RESOLVED**, Association of Sea Pines Plantation Property Owners, Inc. and The Advisory Board, accepts the financial statements, Year-End/December 31, 2020, as presented”.
- Resolution for 9a. **Approval – Land Use Rules Vote:**
“**RESOLVED**, Association of Sea Pines Plantation Property Owners, Inc. and The Advisory Board, approves the Land Use Management, Rules and Regulations, December 23, 2020, as revised and presented”.
- Resolution for 10c. **Approval – Membership Committee Charter, 2021:**
“**RESOLVED**, Association of Sea Pines Plantation Property Owners, Inc. and The Advisory Board, approves the Membership Committee Charter, 2021, as presented”.

Association of Sea Pines Plantation Property Owners, Inc., and the Advisory Board

Board of Directors Meeting

November 12, 2020

A regular meeting of Association of Sea Pines Plantation Property Owners, Inc., and the Advisory Board (ASPPPO), Board of Directors, was held on Thursday, November 12, 2020, via videoconference.

Present from the Board of Directors, were: Paula Scanlon, President; Barry Barth, Vice President; David Ellis, Secretary; Rich Speer, Treasurer; Paul Crunkleton, Director; Dana Guazzo, Director; Bill Johnson, Director and Grover Todd, Director

Absent from the Board of Directors, was: James Richardson, Director

Present from Community Services Associates, Inc., were: Sandra Archer, Executive Administrator; Stephanie Fera, Communications Coordinator; Amanda Sutcliffe-Jones, Director of Communications and Stephen Vinciguerra, Manager of Information Technology Services

Call to Order

The meeting was called to order by Paula Scanlon, President, at 9:00 a.m. Eastern time.

Establishment of Quorum

Quorum was met.

Ratify Approval – Board of Directors Meeting Minutes, September 24, 2020

A motion was made by David Ellis, to support the resolution, “Ratify Approval – Board of Directors Meeting Minutes, September 24, 2020”. The motion was seconded and unanimously carried:

“**RESOLVED**, Association of Sea Pines Plantation Property Owners, Inc., Board of Directors, ratified approval of the Board of Directors Meeting Minutes, September 24, 2020, as finalized by email”.

President Remarks – Business Plan

President Scanlon provided an update:

- Established Business Plan, 2021;
- Successful digital transition and creation of website. Communications to include monthly emails, community surveys;
- ASPPPO membership reflects 70% of community. Collection of email addresses remains critical for successful electronic billing and voting to occur;
- CSA holds Administrative contract. Permanent business model needs addressed and selected by mid 2021;
- ASPPPO shares 5 Board Members with CSA;
- Reserves to be replenished, through membership fee increase and kept available to enforce credibility, as necessary.

- Board vision/mission to be determined;
- Website and additional members' amenities, to be increased;
- Evaluate investments shared with CSA.

Financial Update

Mr. Speer provided an update:

- Financial Statements, YTD/September 30, 2020 and Budget, 2021, reviewed;
- Balance sheet as of September 30, 2020, shows total liabilities and fund balance at \$484,392, with majority of assets in investments;
- Investment portfolio to be maintained, placements through Morgan Stanley. Investments laddered through 2025, yield in 2% range;
- ASPPPO membership grew 2.6% year over year, to 71% of community;
- To rebuild reserves to a healthy level, membership dues need to be increased from \$35 - \$50 yearly.

Acceptance - Financial Statements, YTD/September 30, 2020

A motion was made by Rich Speer, to support the resolution, "Acceptance - Financial Statements, YTD/September 30, 2020". The motion was seconded and unanimously carried:

"RESOLVED, Association of Sea Pines Plantation Property Owners, Inc., and the Advisory Board, Board of Directors, accepted financial statements, YTD/September 30, 2020, as presented and attached to the minutes of record".

Approval – Membership Fees, 2021

A motion was made by Rich Speer, to support the resolution, "Approval – Membership Fees, 2021". The motion was seconded and unanimously carried:

"RESOLVED, Association of Sea Pines Plantation Property Owners, Inc., and the Advisory Board, Board of Directors, approved the ASPPPO Membership Fee, 2021, increase from \$35 - \$50".

Approval – Budget, 2021

A motion was made by Rich Speer, to support the resolution, "Approval – Budget, 2021". The motion was seconded and unanimously carried:

"RESOLVED, Association of Sea Pines Plantation Property Owners, Inc., and the Advisory Board, Board of Directors, approved Budget, 2021, as presented".

ASPPPO Updates

Architectural Review Board (ARB)

In Mr. Richardson's absence, President Scanlon provided an update:

- Density report included in Board Meeting Packet;
- Substantial amount of applications coming through ARB;

- ASPPPO to investigate ways to promote to new property owners.

Communications

Mr. Ellis provided an update:

- Main source of Association information is found on website;
- Collection of email addresses remains paramount for effective communication.

Website Updates

President Scanlon provided an update:

- Credit card payment to be available on ASPPPO.net through individual property owner accounts.

Land Use Management Committee (LUMC)

Ms. Guazzo provided an update:

- Land Use Monitor Report, indicated: 472 total violations, 115 active, 11 with Committee, 357 resolved and one in litigation;
- Violations include: landscaping, maintenance, ARB violations, mailboxes and miscellaneous;
- Violations are significant and important, affecting 6% of the population.

Short Term Rental Committee

In Mr. McPhillips absence, President Scanlon provided an update:

- Issues in front of Committee: beach parking, rental properties used on a commercial basis for special events.

Unfinished Business

Approval – Proposed Refresh, 2010 Land Use Management Rules and Regulations

- Top priority for all residents remains CSA's revenue shortfall;
- Upon CSA Board's approval of revenue funding mechanism, ASPPPO to hold a Special Meeting;
- Land Use Management Rules and Regulations to be tabled, until CSA revenue shortfall is resolved.

A motion was made by Paula Scanlon to table the motion, "Approval – Proposed Refresh, 2010 Land Use Management Rules and Regulations". Voted in favor: Paula Scanlon, Chair, Barry Barth, David Ellis, Paul Crunkleton, Bill Johnson, Rich Speer and Grover Todd. Voted against: Dana Guazzo.

Name Change

Chair Scanlon provided an update:

- Consideration of ASPPPO name change, to one whose name/acronym would be self identifying, i.e.: Sea Pines Home Owner Association, SPHOA; Sea Pines Property Owners Association, SPPOA;
- Recommendation to solicit community vote.

New Business

Approval – Appointment, Architectural Review Board Member, 2021

A motion was made by Paula Scanlon, to support the resolution, “Approval – Appointment, Architectural Review Board Member, 2021”. The motion was seconded and carried. Voted in favor: Paula Scanlon, Chair, Barry Barth, David Ellis, Paul Crunkleton, Dana Guazzo, Rich Speer and Grover Todd. Abstained: Bill Johnson.

“**RESOLVED**, Association of Sea Pines Plantation Property Owners, Inc., and The Advisory Board, jointly approves, with Community Services Associates, Inc., Board of Directors, appointment of Dan Fuller, as the alternate member of the Architectural Review Board. The one year term will begin January 1, 2021 and end December 31, 2021”.

Approval – Board of Directors Meeting Dates, 2021

A motion was made by Bill Johnson, to support the resolution, “Approval – Board of Directors Meeting Dates, 2021”. The motion was seconded and unanimously carried:

“**RESOLVED**, Association of Sea Pines Plantation Property Owners, Inc., and The Advisory Board, approves the ASPPPO Board of Director Meeting Dates, 2021, as follows: January 14 (Workshop), February 4, March 25, May 3 (Annual Meeting), May 19, September 23 and November 11. Meetings to be held at 9:00 a.m.”.

Adjournment

With no further business to come before the Board, President Scanlon adjourned the meeting at 10:00 a.m. The next regularly scheduled meeting of the ASPPPO Board of Directors, is Thursday, February 4, 2021, 9:00 a.m., via videoconference.

Respectfully Submitted,

David Ellis
Secretary

Association of Sea Pines Plantation Property Owners, Inc., and the Advisory Board

Board of Directors Special Meeting

November 30, 2020

A special meeting of Association of Sea Pines Plantation Property Owners, Inc., and the Advisory Board (ASPPPO), Board of Directors, was held on Monday, November 30, 2020, via videoconference.

Present from the Board of Directors, were: Paula Scanlon, President; Barry Barth, Vice President; David Ellis, Secretary; Rich Speer, Treasurer; Paul Crunkleton, Director; Dana Guazzo, Director; Bill Johnson, Director; Grover Todd, Director and James Richardson, Director

Guests present, were: Larry Movshin, Chair, CSA and Sam Bennett, President, CSA

Present from Community Services Associates, Inc., were: Sandra Archer, Executive Administrator; Stephanie Fera, Communications Coordinator; Amanda Sutcliffe-Jones, Director of Communications and Stephen Vinciguerra, Manager of Information Technology Services

Call to Order

The meeting was called to order by Paula Scanlon, President, at 10:05 a.m. Eastern time.

Establishment of Quorum

Quorum was met.

The purpose of the ASPPPO Board of Directors and The Advisory Board Special Meeting, was related to Referendum, 2020.

New Business

President Scanlon provided an update on Referendum, 2020. Action taken:

- Amendment to the Covenants, 1974, through Referendum, was acknowledged by ASPPPO;
- Referendum, 2020, questions solicited in advance from the community were discussed and answered;
- Infrastructure Improvement Fund to be funded by separate annual assessments.

Approval – Amendment, Covenants, 1974

A motion was made by David Ellis to support the resolution, “Approval – Amendment, Covenants, 1974”. The motion was seconded and unanimously carried:

“**RESOLVED**, Association of Sea Pines Plantation Property Owners, Inc. and The Advisory Board, approved amendment to the Covenants, 1974, Amendment V, Infrastructure Improvement Fund, as presented and attached to the minutes of record”.

Adjournment

A motion was made by Paul Crunkleton to adjourn the meeting at 11:15 a.m. The motion was seconded and unanimously carried.

With no further business to come before the Board, President Scanlon adjourned the meeting at 11:15 a.m. The next scheduled meeting of the ASPPPO Board of Directors, is Thursday, February 4, 2021, 9:00 a.m., via videoconference.

Respectfully Submitted,

David Ellis
Secretary

DRAFT

Association of Sea Pines Plantation Property Owners, Inc. and The Advisory Board

Organizational Meeting

January 14, 2021

An organizational meeting of Association of Sea Pines Plantation Property Owners, Inc. and The Advisory Board (ASPPPO), Board of Directors, was held on Thursday, January 14, 2021, via videoconference.

Present from the Board of Directors, were: Paula Scanlon, President; David Ellis, Vice President; Greg Thomson, Secretary; Grover Todd, Treasurer; Barry Barth, Director; Paul Crunkleton, Director; Dana Guazzo, Director; Bill Johnson, Director and Lee Stevens, Director

Present from Community Services Associates, Inc., were: Sam Bennett and Sandra Archer, Executive Administrator

Call to Order

The meeting was called to order by Paula Scanlon, President, at 9:10 a.m., Eastern time.

Establishment of Quorum

With all Board Members in attendance, quorum was met.

Announcement - Newly Elected Board Members, Recognition of Retiring Board Members

President Scanlon provided an update:

- Three Board members were elected to serve on the ASPPPO Board of Directors, 2021. Welcomed were: Mr. Johnson, Mr. Stevens and Mr. Thomson. The term of service is three years; January 1, 2021, through December 31, 2023.
- Two Board Members retired from the ASPPPO Board of Directors. Recognized were: James Richardson and Rich Speer.

Approval - Nomination, Board of Director Officers, 2021

President Scanlon provided an update. Action taken:

- Based on Board Member feedback, willingness to serve and the vote of the ASPPPO Board of Directors, the following slate of Officers was approved, to serve a one year term, 2021:

| | |
|-----------------|---------------|
| President: | Paula Scanlon |
| Vice President: | David Ellis |
| Secretary: | Greg Thomson |
| Treasurer: | Grover Todd |

A motion was made by Paula Scanlon, to approve the resolution, “Approval – Nomination, Board of Directors Officers, 2021”. The motion was seconded and unanimously carried.

“**RESOLVED**, the Association of Sea Pines Plantation Property Owners, Inc. and The Advisory Board, Board of Directors, approved the slate of Officers, 2021, to be: Paula Scanlon, President; David Ellis, Vice-President; Greg Thomson, Secretary and Grover Todd, Treasurer, as elected”.

Review - Board of Directors Meeting Schedule, 2021

President Scanlon provided an update:

- The ASPPPO Board of Directors Meeting Schedule, 2021, as approved at the November 12, 2020, ASPPPO Board Meeting, to be available on the ASPPPO website.

Review – Conflict of Interest Policy, Confidentiality Acknowledgment Statement

President Scanlon provided an update:

- Board Members to acknowledge receipt and sign the Conflict of Interest Policy and Confidentiality Acknowledgment Statement, to be returned to President Scanlon.

Adjournment

A motion was made by Greg Thomson to adjourn the meeting at 9:15 a.m. The motion was seconded and unanimously carried.

With no further business to come before the Board, President Scanlon adjourned the meeting at 9:15 a.m. The next regularly scheduled meeting of the ASPPPO Board of Directors, is Thursday, February 4, 2021, 9:00 a.m., via videoconference.

Respectfully Submitted,

Greg Thomson
Secretary

Association of Sea Pines Plantation Property Owners
Balance Sheets
December 31, 2020 and 2019

| | December 31, 2020 | December 31, 2019 |
|---|--------------------------|--------------------------|
| Assets | | |
| Cash | | |
| Operating | \$ 10,425 | \$ 1,906 |
| Money Market | 1,130 | 1,025 |
| Morgan Stanley Money Fund | 3,208 | 79,160 |
| Total Cash and Cash Equivalents | <u>14,763</u> | <u>82,091</u> |
| Investments | | |
| Marketable Securities | 380,130 | 298,481 |
| Accrued Interest | 3,362 | 2,479 |
| Unrealized Gain/ (Loss) on Investments | 12,910 | 3,943 |
| Total Investments | <u>396,402</u> | <u>304,903</u> |
| Prepaid Insurance | <u>10,066</u> | <u>11,743</u> |
| Total Assets | <u><u>\$ 421,231</u></u> | <u><u>\$ 398,737</u></u> |
| Liabilities and Fund Balance | | |
| Current Liabilities | | |
| Accounts Payable - CSA | \$ 90,260 | \$ 52,838 |
| Other Liability | 74 | 727 |
| Deferred Revenue | - | 224 |
| Total Current Liabilities | <u>90,334</u> | <u>53,789</u> |
| Undesignated Fund Balance | <u>330,897</u> | <u>344,948</u> |
| Total Liabilities and Fund Balance | <u><u>\$ 421,231</u></u> | <u><u>\$ 398,737</u></u> |

| Year | Number of Members |
|------|-------------------|
| 2013 | 3,920 |
| 2014 | 3,923 |
| 2015 | 3,845 |
| 2016 | 3,659 |
| 2017 | 3,517 |
| 2018 | 3,808 |
| 2019 | 3,537 |
| 2020 | 3,660 |

ASPPPO
Maturity Schedule for Investments
12/31/2020

| Security Description | Adjustment Cost | Current Yield | Maturity | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | Total |
|-----------------------------------|--------------------|------------------|-----------|--------|--------|--------|--------|--------|--------|---------|
| BMW US Capital | 49,892 | 0.990% | 4/11/2021 | | 50,000 | | | | | 50,000 |
| American Honda Finance Corp. | 33,146 | 2.140% | 6/27/2022 | | | 33,000 | | | | 33,000 |
| Geico Corp. | 23,361 | 6.260% | 7/15/2023 | | | | 20,000 | | | 20,000 |
| Shell International | 68,347 | 3.140% | 8/12/2023 | | | | 65,000 | | | 65,000 |
| Orix Corp. | 27,426 | 3.690% | 1/16/2024 | | | | | 25,000 | | 25,000 |
| Qualcomm Inc | 49,204 | 2.690% | 3/20/2024 | | | | | 50,000 | | 50,000 |
| CIGNA Holding Corp | 50,248 | 2.980% | 1/15/2025 | | | | | | 50,000 | 50,000 |
| Exxon Mobil | 21,193 | 2.740% | 12/1/2025 | | | | | | 20,000 | 20,000 |
| Assured Guaranty US Holdings Inc. | 19,172 | 4.370% | 7/1/2024 | | | | | 17,000 | | 17,000 |
| MSIF Ultra Short Income A | 38,141 | 0.180% | N/A | 37,986 | | | | | | 37,986 |
| | 380,130 | | | 37,986 | 50,000 | 33,000 | 85,000 | 92,000 | 70,000 | 322,986 |

Association of Sea Pines Plantation Property Owners
Income Statement - Current Year Actual versus Budget
For the Year-to-Date Ended December 31, 2020

| | Year-to-Date Actual December 31, 2020 | Year-to-Date Budget December 31, 2020 | Dollar Variance |
|---|---|---|-----------------|
| Revenues | | | |
| Membership Dues | \$ 127,320 | \$ 123,306 | \$ 4,014 |
| License Plates | 445 | 750 | (305) |
| Interest | 11,366 | 10,250 | 1,116 |
| Total Revenues | 139,131 | 134,306 | 4,825 |
| Expenses | | | |
| Land Use Monitor | 36,386 | 34,657 | (1,729) |
| Accounting & Compilation | 2,600 | 1,750 | (850) |
| Technology Services | 1,053 | 650 | (403) |
| Insurance | 21,809 | 22,000 | 191 |
| Legal & Professional Fees | 19,894 | 6,500 | (13,394) |
| Postage and Freight | - | 4,000 | 4,000 |
| Property Cleanup | - | 5,000 | 5,000 |
| Rent | 4,380 | 4,380 | - |
| CSA Service Fee | 19,301 | 19,301 | - |
| Miscellaneous | - | 600 | 600 |
| Bank Service Charges | 9,061 | 11,000 | 1,939 |
| Consultants & Surveys | 875 | 500 | (375) |
| Communication Services | 6,373 | - | (6,373) |
| Annual Meetings | 3,702 | 15,000 | 11,298 |
| Newsletters | - | 3,000 | 3,000 |
| Public Relations | - | 4,000 | 4,000 |
| Referendum | - | 1,000 | 1,000 |
| Website Development | 18,372 | - | (18,372) |
| Travel | 65 | 3,000 | 2,935 |
| Community Events | - | 6,000 | 6,000 |
| Election | 13,491 | 11,000 | (2,491) |
| License | 157,362 | 153,338 | (4,024) |
| Total Expenses | (18,231) | (19,032) | 801 |
| Excess (Shortfall) of Revenues over Expenses from Operations | | | |
| Other Income/ (Expense) | | | |
| Bond Premium/ (Expense) | (4,787) | (2,665) | (2,122) |
| Unrealized Gain/(Loss) | 8,967 | - | 8,967 |
| Total Other Income/ (Expense) | 4,180 | (2,665) | 6,845 |
| Excess of Revenues over Expenses | \$ (14,051) | \$ (21,697) | \$ 7,646 |

Association of Sea Pines Plantation Property Owners
Income Statement - Current Year Actual versus Prior Year Actual
For the Year-to-Date Ended December 31, 2020 and 2019

| | Year-to-Date Actual December 31, 2020 | Year-to-Date Actual December 31, 2019 | Dollar Variance |
|---|---|---|--------------------|
| Revenues | | | |
| Membership Dues | \$ 127,320 | \$ 125,593 | \$ 1,727 |
| License Plates | 445 | 590 | (145) |
| Interest | 11,366 | 11,108 | 258 |
| Total Revenues | <u>139,131</u> | <u>137,291</u> | <u>1,840</u> |
| Expenses | | | |
| Land Use Monitor | 36,386 | 20,895 | (15,491) |
| Accounting & Compilation | 2,600 | 1,375 | (1,225) |
| Technology Services | 1,053 | 1,818 | 765 |
| Insurance | 21,809 | 21,673 | (136) |
| Legal & Professional Fees | 19,894 | 23,333 | 3,439 |
| Office Supplies | - | 169 | 169 |
| Postage & Freight | - | 205 | 205 |
| Laundry & Uniforms | - | 56 | 56 |
| Rent | 4,380 | 4,380 | - |
| CSA Service Fee | 19,301 | 19,301 | - |
| Bank Service Charges | 9,061 | 7,799 | (1,262) |
| Consultants & Surveys | 875 | - | (875) |
| Communication Services | 6,373 | 733 | (5,640) |
| Annual Meetings | 3,702 | 13,467 | 9,765 |
| Website Development | 18,372 | - | (18,372) |
| Travel | 65 | 391 | 326 |
| Community Events | - | 3,000 | 3,000 |
| Computer Hardware | - | 324 | 324 |
| Election | 13,491 | 25,322 | 11,831 |
| Total Expenses | <u>157,362</u> | <u>144,241</u> | <u>(13,121)</u> |
| Excess (Shortfall) of Revenues over Expenses from Operations | (18,231) | (6,950) | (11,281) |
| Other Income/ (Expense) | | | |
| Bond Premium/ (Expense) | (4,787) | (2,525) | (2,262) |
| Unrealized Gain/(Loss) | 8,967 | 9,895 | (928) |
| Other Income | - | 340 | (340) |
| Total Other Income/ (Expense) | <u>4,180</u> | <u>7,710</u> | <u>(3,530)</u> |
| Excess of Revenues over Expenses | <u>\$ (14,051)</u> | <u>\$ 760</u> | <u>\$ (14,811)</u> |

SEA PINES PLANTATION DWELLING UNITS (DENSITY) REPORT

| | |
|---|-------------|
| Class A Units - Single Family Dwelling Units | |
| Total Lots Remaining | 72 |
| Total Homes | <u>3766</u> |
| Total Class "A" | 3838 |

Class B - Multi-Family Dwelling Units 1989

Uncommitted Dwelling Units 64*
*64 units assigned to Sea Pines Resort

Lot D4 Density assigned to Sea Pines Resort
Lot 13 Club Course I assigned to Sea Pines Resort
Lot 82 Club Course II assigned to 3R Fairway Blk 5-3
Lot 70 Carolina Place assigned to 5 Royal Tern

| | |
|---|-------------|
| Total Dwelling Units allowed by Covenant | <u>5890</u> |
|---|-------------|

January 1, 2015

Class "B" DUs permitted 1989

Class A DUs Under Construction/Permitted 3753

| | |
|---------------------|----------|
| January Permits - | 1 |
| February Permits - | 2 |
| March Permits- | 0 |
| April Permits - | 0 |
| May Permits - | 1 |
| June Permits - | 0 |
| July Permits - | 4 |
| August Permits - | 1 |
| September Permits - | 0 |
| October Permits - | 2 |
| November Permits - | 2 |
| December Permits - | <u>0</u> |
| Total Permitted | 3766 |

Improved or under construction 3766

December 31, 2020

**ARB APPLICATIONS FOR 2020
JANUARY THRU DECEMBER**

| | |
|--------------------------------------|------------|
| NEW SFR (INCLUDED NEW LOTS) | 41 |
| ADDITIONS/ALTERATIONS - MAJOR | 72 |
| SMALL | 670 |
| POOLS | 40 |
| COMMERCIAL | 17 |
| NEW LOTS IMPROVED | 9 |
| DEMO | 3 |

Land Use Management Report through 1/20/2021

1. Total Violations – 549
2. Active – 151
3. Committee - 9
4. Resolved – 398
5. Thank You Notifications – 185

(Thank you Emails/Letters are sent out when a homeowner has shown outstanding care to their home and property)(Thank you Notifications are not included in total violations)

Types of Violations – General list of most common violations in Sea Pines. (In order of violation numbers)

1. Landscaping (mowing/weeding/trimming/ground cover, etc.)
2. ARB Violations (working without approval, permit not posted, dumpster without a permit, etc.)
3. Maintenance (Damaged driveways, wood rot, power washing, etc.) -
4. Mailboxes (mailbox repair/replacement due to damage/rust/knocked down)
5. Misc. (trailers, flags/signs, trash/recycling, miscellaneous items, etc.)

TITLE: SEA PINES LAND USE RULES AND REGULATIONS FOR RESIDENTIAL PROPERTY OWNERS, AND LONG TERM AND SHORT TERM TENANTS

December 23, 2020 version

PART I. INTRODUCTION

A. PURPOSE

The purpose of these Land Use Rules and Regulations is to promote aesthetic excellence of all residential property within Sea Pines, to encourage mutual respect among all residential property owners and tenants, and to foster standards which will maintain Sea Pines as the premier community on Hilton Head Island. These Land Use Rules and Regulations may be enforced by staff of Community Services Associates, Inc. and compliance will maintain Sea Pines' high standards of excellence in the community.

B. DEFINITIONS AND ACRONYMS

Sea Pines Architectural Review Board ("ARB")

Association of Sea Pines Plantation Property Owners, Inc. and The Advisory Board ("ASPPPO")

Community Services Associates, Inc. ("CSA")

Development. Any external new construction, additions, alterations, signage, and/or renovation of existing structure and/or appurtenances including, but not limited to, installation or modification of propane tanks, satellite dishes, playhouses, gazebos/ pergolas, and pools; repainting (even with the same colors); fence installation; driveway repair/replacement; reroofing (even with the same colors); window/door/garage door replacement (even with same style or color).

Fines Schedule. A listing of monetary fines that may be used as enforcement action for violating these Land Use Rules and Regulations.

Identified Property. A Residential Property judged by the Land Use Monitor to be in violation of the Land Use Rules and Regulations.

Land Use Rules and Regulations ("LU Rules and Regulations"). The Rules and Regulations pertaining to residential property land use management contained herein.

Land Use Violation ("LU Violation"). A condition that fails to conform to the LU Rules and Regulations.

Land Use Violation Appeal ("LU Appeal"). A written plea by the Owner to the CSA President challenging the validity of the LU Violation.

Land Use Violation Notice ("LU Violation Notice"). A written notification to the Owner by the Land Use Monitor describing the LU Violation(s), specifying a deadline for violation resolution, and stating the fine enforcement action. Such notices are also referred to as the "Initial Notice", the "Second Notice", and so forth.

Land Use Violation Resolution Date ("Violation Resolution Date"). The official date a LU Violation is deemed resolved by the Land Use Monitor, as verified by Property inspection.

Land Use Violation Resolution Notice ("Violation Resolution Notice"). A written notification to the Owner by the LUM documenting the full remediation of the LU Violation.

Land Use Violation Timeline Extension Request ("Timeline Extension Request"). A written notification by the Owner to the LUM requesting an LU Violation remediation deadline extension.

Land Use Monitor ("LUM"). A CSA employee responsible for conducting Property inspections and taking actions in accordance with the LU Rules and Regulations.

Residential Property ("Property"). A lot or parcel of land located within Sea Pines intended for residential use, both Developed (improved) and Undeveloped (unimproved).

Residential Property Owner ("Owner"). The owner of a Property within Sea Pines.

Residential Property Tenant ("Tenant"). The tenant of a Property within Sea Pines for any short- or long-term period.

Sea Pines. The planned unit development known as Sea Pines on Hilton Head Island, South Carolina.

Sea Pines Gate Entry Policy ("Gate Entry Policy" or "GEP"). The Community Services Associates, Inc. Sea Pines Gate Entry Policy. In referencing the GEP, the most current version applies.

Violation Category ("Category"). A subset of Violations of these LU Rules and Regulations contained within a Fine Schedule that incur a given set of monetary fines.

C. PREAMBLE

1. Authority. The legal authority to promulgate and enforce these Land Use Rules and Regulations (the "LU Rules and Regulations") is derived from various restrictive land use covenants and other agreements of record or otherwise applicable to Property in Sea Pines and CSA. The LU Rules and Regulations may be amended from time to time at the sole discretion of the CSA Board of Directors. ASPPPO also has the authority to monitor and enforce these LU Rules and Regulations.

2. Supersession. This LU Rules and Regulations statement, together with subsequent amendments approved by the CSA board, supersedes all rules and regulations pertaining to residential property land use management contained in previous statements of Sea Pines Rules and Regulations for Owners and Long Term Renters, all previous statements of Sea Pines Rules and Regulations for Short Term Renters and Guests, as well as the Sea Pines Land Use Standards and Procedures of the ASPPPO/CSA Land Use Management Committee, Jan 14, 2019. A record of all subsequent amendments to this LU Rules and Regulations statement can be found in APPENDIX I. AMENDMENT LOG.

3. Enforcement. Violations of the LU Rules and Regulations may result in the levy of a fine or fines, as set forth in Exhibit A Schedule of Fines for Land Use Rules and Regulations Violations, attached hereto and made part of these LU Rules and Regulations, and may result in penalties as set forth in the Sea Pines Gate Entry Policy (the "GEP"). Unpaid fines may be subject to interest and costs of collection and CSA and ASPPPO have the right but not the obligation to proceed at law or in equity to compel compliance with these LU Rules and Regulations. Further, CSA and ASPPPO have the right but not the obligation to enter upon any lot to remedy or abate a Land Use Violation (an "LU Violation") and such entry is not deemed a trespass.

Any person, including but not limited to CSA, ASPPPO, and ARB members, has the right to request inspection by the applicable agency of the Town of Hilton Head Island, of Beaufort County, or of the state of South Carolina of any Property for possible violation of law, including, but not limited to, environmental, building, abandoned vehicles, health and/or safety codes. Such a violation may result in penalties as defined by law.

4. Responsible Parties. The Owner is responsible to ensure the Property remains in compliance with the LU Rules and Regulations at all times, including such Owner's invitees, Tenants, Guests, and contractors. Tenants, as well as Owners, are responsible to ensure the Property remains in compliance with the LU Rules and Regulations, including, but not limited to, those pertaining to overall appearance, trash and debris, and vehicles.

PART II. LAND USE MANAGEMENT

A. LAND USE RULES AND REGULATIONS

1. Development

1.1. Development of a Property may not commence without prior receipt of all necessary and appropriate approvals from the ARB and applicable governing authorities. Such permits shall be displayed on the Property as required by the ARB guidelines and applicable governing authorities.

Development commenced and/or completed without having received the necessary and appropriate permits from ARB and the applicable governing authorities, properly displayed, may be subject to a stop-work order, fine and/or removal. The ARB may consider granting permits for Development done without a prior permit; higher ARB application fees may apply.

1.2. All Development shall be completed within the delineated deadline(s) specified in the permit(s), or within the applicable ARB-approved deadline extension(s).

1.3. Newly completed Development shall comply with the ARB-approved specifications.

2. Development Maintenance. Completed and ARB-approved Development shall continue to meet ARB-approved specifications, the Town as well as other government requirements, and remain as originally approved. Specific requirements include the following:

2.1. Exterior building materials (e.g., siding, bricks, decks, porches, railings, windows, fascia/trim boards, roofs), property barriers (e.g., fencing, privacy walls), and hardscapes (e.g., walkways, driveways) shall be kept in good repair. Cleaning is required to remove notable visible buildup of surface contaminants (e.g., dirt, mold, mildew, moss, rust). Replacement or repair is required when damage or deterioration occurs.

Repainting/restaining is required of painted/stained surfaces when notable discoloration, fading or peeling occurs. Repair or maintenance work shall be done in a manner that ensures consistency and conformity of the repaired/maintained materials with remaining existing materials of the same type (e.g., re-roofing a section of a roof may be permitted if the new roofing matches the current older roof, otherwise, the entire roof may require replacement).

2.2. Boat docks, piers, seawalls, and bulkheads shall be kept in good condition and repair. Replacement or removal is required when damaged or deteriorated beyond repair.

2.3. Pools (e.g., swimming pools, whirlpools, spas, hot tubs, wading pools) shall be kept in good condition and repair. Pools shall be kept clean of debris and be properly treated to prevent mosquito breeding, vegetative and/or bacterial growth. The perimeter of the pool, including walkways, shall be kept in good condition and repair. Replacement or repair is required when deterioration of pool surfaces, perimeters, decking, and/or walkways occurs. Pool covers shall be in good condition and repair, and when in use must be well secured so as to fully cover the pool.

3. Landscaping

3.1. Owners shall comply with ARB guidelines in obtaining the proper approvals prior to initiating tree removal, landscaping removal, and/or significant landscaping plantings for the Property. Before work commences all permits required by the ARB and applicable governing authorities shall be displayed so as to be visible from the road.

Unapproved disruption of government-protected critical environments may be subject to penalties as defined by law. [Refer to Part II Section A.6.1 for rules pertaining to tree removal and pruning. Refer to Part II Section A.6.2 for rules pertaining to landscaping and grounds located on CSA open space, ocean front public trust property, and/or a government-protected critical environment either abutting or on a Property.]

Landscaping work commenced and/or completed without having received the necessary and appropriate permits from ARB and the applicable governing authorities, properly displayed, may be subject to a stop-work order, fine and/or removal of said modification. The ARB may consider granting permits for modifications done without a prior permit; higher ARB application fees may apply.

3.2. All landscaping work shall be completed within the delineated deadline(s) specified in the permit(s), or within the applicable ARB-approved deadline extension(s).

3.3. Newly completed landscaping on Developed Property shall meet ARB-approved specifications, as well as applicable requirements of CSA and applicable government authorities.

4. Landscaping Maintenance, Developed Property. Completed and ARB-approved landscaping on Developed Property shall be maintained in such a manner that it continues to conform to ARB-approved specifications, if any, over time. Landscaping shall be maintained in a manner that conforms to and does not detract from the aesthetics of the neighborhood. As landscaping ages, supplemental or replacement plantings may be needed to maintain appearance. Specific requirements include the following:

4.1. Lawns shall be routinely cut and maintained to ensure grass height of 5 inches or less. Bushes shall be trimmed to maintain a neat appearance. Trees and palms shall be maintained in a manner to maintain a neat appearance. Bedded areas shall be kept clear of overgrowth. Vines shall be removed that threaten to encroach onto abutting properties, including CSA open space.

4.2. Roofs, gutters, driveways, and other hard surfaces shall be cleared of pine straw and other vegetative debris with reasonable frequency so that there is no accumulated buildup. Fallen leaves are permitted as landscaping ground cover, but shall be removed with reasonable frequency to maintain a neat, clean appearance, without extensive leaf buildup on the Property. Limbs, sticks, fronds, fallen leaves (not used as ground cover of bedded areas) and other such vegetative debris shall be removed from the Property.

4.3. Ground cover (e.g., mulch, pine straw) shall be applied periodically to maintain a neat, clean appearance. Ground (e.g., dirt) shall not be left exposed without landscaping or ground cover. Ground cover materials not fully distributed within three (3) weeks of delivery to the Property may be considered vegetative debris. [Refer to Part II Section A.4.2 regarding the use of fallen leaves as ground cover.]

5. Landscaping Maintenance, Undeveloped Property. Undeveloped Property grounds and landscaping shall be maintained in a manner to conform to the following:

5.1. No structure, vehicle, boat, or storage unit of any kind, temporary or permanent, is permitted on the Property. ARB-approved structures, vehicles, or storage units necessary for ongoing construction projects or emergencies are exempt subject to prior written approval.

5.2. Vegetative undergrowth is permitted in natural areas, but shall be cut in a manner and with sufficient frequency to ensure the Property conforms to and does not detract from the aesthetics of the neighborhood. Vines shall be removed that threaten to encroach onto abutting properties, including CSA open space.

6. Landscaping Maintenance, General

6.1. Downed trees shall be removed from the Property. A downed tree is one in which all or part of the trunk is lying on the ground or on a structure (e.g., house, car, another tree), and/or is uprooted.

Removal of any standing tree having a trunk diameter 6 inches or greater measured 4 feet above grade (living or dead), located on Developed or Undeveloped Property, requires approval by the ARB and any applicable governing authority prior to removal. Tree removal performed without applicable ARB permit(s) may result in ARB fines.

Pruning or removal of a protected species (regardless of size) may be regulated by applicable governing authorities. Owners may contact the ARB for further information.

Tree stumps left on Developed Property must be removed to below ground level.

6.2. Special consideration shall be given to vegetation and the land itself bordering waterways, lagoons, the oceanfront and any other government-protected critical environment. If such land is not the property of the Owner, modification of it and/or its vegetation requires pre-approval from its legal owner and/or administrator. CSA owns most of the common property in Sea Pines which includes lagoon banks. The ground, water and vegetation (living or dead) located in such areas may serve a vital role in bird, animal and plant preservation and in shoreline stabilization. Disruption of such areas may be subject to penalties for trespassing and for violations as defined by law.

Before altering any CSA Property, an encroachment agreement is required. In addition, ARB and other governmental authority pre-approvals may also be required. It is the Owner's responsibility to be aware of the requirements before proceeding. Even if the Owner has title to and possession of waterfront land, laws regarding protected critical environment may apply.

Work commenced and/or completed without having received the necessary and appropriate permits from CSA, ARB, and the applicable governing authorities, properly displayed, may be subject to a stop-work order, fine, removal of said modification, and/or restoration of the said environment.

7. Overall Property Appearance

7.1. Mailboxes and mailbox posts shall be properly labeled and maintained in good repair as per CSA standards. A CSA-approved street number sign shall be posted at each Property easily visible from the road, and shall be properly maintained in good repair. Contact CSA Maintenance for mailbox/post repair, maintenance, or label change, as well as for street number sign repair or replacement.

7.2. For security and aesthetic reasons, garage doors shall normally be kept closed.

7.3. Owners may be permitted by CSA to place or install only certain materials or items on CSA roadside or leisure trail right-of-way that abuts their Property. These materials or items are limited to lawn grass, non-woody landscape vegetation (maintained to 2 feet in height or less to ensure safety and visibility), ground cover (e.g., pine straw, mulch), rocks (6 inches in diameter or less), sand, crushed shell, gravel, bricks, pavers (including turf-grow-through models), and/or underground irrigation systems. Materials such as rocks, bricks or pavers must be placed so as not to protrude more than 2 inches above surrounding ground level.

All other temporary or permanent materials or items, including, but not limited to, signage, larger vegetation, woody vegetation, reflective devices, rods, spikes, posts, pilings, boards, walls, fences, ropes, boulders, rocks/bricks/pavers that protrude more than 2 inches above ground level, or any other structure or material is prohibited. Any material or item that acts to block CSA right-of-way access, which limits vehicular traffic visibility, and/or that poses a hazard to vehicular, bicycle or pedestrian traffic is prohibited. Owners may apply for a variance to this rule by applying for an easement agreement with CSA and by applying for approval with the ARB for either existing or new installation of materials or items that do not conform to this rule.

CSA has the right but not the obligation to remove any item or material on CSA right-of-way at their sole discretion; CSA bears no responsibility for such material and/or item damage or replacement.

7.4. Laundry items (e.g., towels, bathing suits, clothing) may not be hung on railings/balconies or any other location where visible from adjoining properties, a golf course, the beach or the street. Clotheslines are prohibited. Household items (e.g., coolers, bicycles, skateboards), yard maintenance equipment (e.g., mowers, trimmers, gas cans), and sports equipment (e.g., field sports equipment, basketballs, kayaks, canoes) must be stored out of public view when not actively in use.

7.5. Structurally permanent yard toys [e.g., trampolines, swings, basketball backboards, playhouses, hammocks (not attached to trees)], no more than one (1) of each type, are allowed, consistent with neighborhood aesthetic suitability and positioned so as to minimize visibility from nearby streets, homes and golf courses. All items shall be maintained in good repair.

Tents or other temporary accommodations such as might be used for overnight camping are prohibited (small play tents for daytime use by children, or tents for parties/weddings are excluded).

Tree houses, tree hammocks, tree swings, stairs, platforms or other such recreational structures in or on a tree are prohibited.

7.6. Outdoor furniture shall be kept clean and maintained in good repair, and shall not detract from the aesthetics of the neighborhood.

Lawn accoutrements (e.g., statuary elements, windmills, flags/banners) must conform to ARB guidelines in type, size, quantity, and property location; they shall not detract from the aesthetics of the neighborhood.

Flags/banners shall not be larger than 3' x 5'. Flags/banners permitted include those for decorative/holiday purposes, those displaying an educational institution or sports affiliation logo, or any current national or state flag.

Other permitted signage on or near Property include items approved by the ARB (e.g., house number signs, contractor signs, ARB notices, building permits), and items approved by CSA (e.g., traffic directives, special event notices, safety precautions). A temporary sign displayed on Property to warn of children playing is permitted, only during times of active play. All other messages or advertisements of any kind displayed in any format on or near Property are prohibited.

7.7. Bright exterior lighting (ARB approval required) may not be left on for extended periods, and/or after 11PM. In no case shall they shine into a neighbor's residence or Property.

Outdoor decorations that may include exterior lighting for which ARB approval is not required, used solely for decorative, holiday or celebratory purposes, are permitted, consistent with neighborhood aesthetics. Such lighting may include lights directed onto doorways, or strings of lights on trees, boat docks, or other structures. Such lighting cannot include flood lights, and cannot be so bright so as to shine onto a neighbor's residence or Property. Such decorations and lighting should only be employed for special occasions and/or holidays and for a limited duration; they are not for daily use; lighting may not be left on after 11 PM. Celebratory or holiday music, noises or other sounds are not permitted as components of such decorations.

[NOTE: No lights of any kind or intensity may shine onto or on the beach during loggerhead turtle nesting season during evening hours from May-October as defined by law. Violation may be subject to penalty as defined by law.]

8. Trash and Debris

8.1. All Properties shall be free of trash, garbage, and any type of non-vegetative debris. All trash, garbage, and non-vegetative debris shall be properly contained and routinely removed from the Property. [Note: Construction debris shall be contained and properly disposed of as required by ARB.]

8.2. Trash cans and recycling bins shall be kept in service yards at all times. Curbside trash pickup is not provided in Sea Pines. Exceptions are oversized items such as broken-down packing cartons, which should be placed curbside just prior to expected pickup.

8.3. CSA landscape debris pickup at CSA designated neighborhood locations is a service provided for use by Owners or Tenants only (not for use by commercial contractors), for debris that Owners or Tenants collect from their Property. Deposit of landscape debris at locations not designated by CSA is prohibited. Permitted items in the debris drop off sites include palm fronds, leaves, sticks, small trees, branches and other vegetative debris. (Tree trunks or branches must be under 6 inches in diameter). Debris left at pickup locations shall not be bagged. The dumping of trash or garbage of any kind, such as paper, plastic, metal, concrete, building materials, food waste, or pet waste is strictly prohibited. Inappropriate disposal may also be a violation of law regarding littering, garbage and trash, and/or health and sanitation and subject the Owner to fines.

8.4. Pet waste shall be picked up and properly disposed of in trash receptacles. No pet waste or pet waste bags may be disposed at CSA landscape debris pickup locations. [Refer to Part II Section A.8.3 regarding CSA landscape debris pickup sites and their use.]

9. Vehicles

9.1. Parking of operative motor vehicles on any Property is permitted only on hardscape approved by the ARB for vehicle parking purposes. For those instances where an Owner or Tenant may require temporary accommodations, not overnight, (e.g., when hosting a social event), contact Sea Pines Security.

9.2. Junked, wrecked or abandoned motor vehicles are not allowed to be parked, stored, or kept on any Property visible from any public or private street, right-of-way, or adjacent Property. This includes vehicles not being used for their original purpose or which are incapable of being used, as well as those that have been destroyed, badly damaged, or which are in a state of disrepair. Any such vehicle present on a Property shall be stored in a closed garage or in a carport so as not to be visible from the street, right of way, or neighboring properties. Violation of this rule may also be a violation of law regarding junked, wrecked or abandoned vehicles.

9.3. Only neutral earth-tone colored (one color; no pattern) car covers are permitted for protecting operative motor vehicles. Such covers shall be secured to the vehicle and maintained in good condition. No more

than one (1) covered vehicle is allowed per Property. Concealment of junked, wrecked or abandoned vehicles with a car cover is prohibited.

9.4. Motorcycles, mopeds, and any motorized or battery-assist scooters or cycles of any kind shall be stored out of sight in an enclosed garage. [NOTE: Contact Sea Pines Security Department for a listing of vehicles approved for operation within Sea Pines.]

B. LAND USE ENFORCEMENT

1. Property Inspections

1.1. The Land Use Monitor (the "LUM") routinely travels through Sea Pines to identify Properties that fail to comply with the LU Rules and Regulations. Additionally, any Owner, Tenant, or CSA staff member may report an alleged violation of the same to the LUM by phone at 843-671-7820 or by email at LUM@csaseapines.com. The LUM shall investigate all such reported properties. The LUM may request property inspections by the applicable government agency, including but not limited to agencies referenced in the LU Rules and Regulations, for possible violation of law.

1.2. A condition that fails to conform to the LU Rules and Regulations is deemed a Land Use Violation (an "LU Violation"). A Property judged to be in violation by the LUM is an "Identified Property".

2. Land Use Violation Notices

2.1. Land Use Violation Initial Notice. If an LU Violation is found, the LUM shall notify the Owner of an Identified Property in writing, describing the LU Violation(s), specifying a deadline for LU Violation resolution, and stating the applicable monetary fine and enforcement actions (the "Initial Notice"). The Initial Notice also informs the Owner of their right to contest the validity of the LU Violation by appeal (refer to Part II Section B.4) or to request an extension of the remediation timeline (refer to Part II Section B.5).

2.2. Land Use Violation Second Notice. A Land Use Violation Second Notice (the "Second Notice") shall be issued to the Owner by the LUM if the LU Violation remains unresolved after the remediation deadline stated in the Initial Notice, or as per an approved timeline extension. The Second Notice specifies a deadline for full remediation, and states the applicable fine and enforcement actions. The Second Notice also informs the Owner of their right to request an extension of the remediation timeline (refer to Part II Section B.5).

2.3. Land Use Violation Third and Subsequent Notices. An LU Violation Third Notice (the "Third Notice"), and all subsequent notices, shall be issued to the Owner by the LUM if the LU Violation remains unresolved after the previously issued Notice deadline, or as per an approved timeline extension. Such Notices again specify a deadline for full remediation, cite the applicable fine and enforcement actions, and inform the Owner of their right to request an extension of the stated remediation timeline (refer to Part II Section B. 5).

3. Land Use Violation Resolution. The LUM shall perform a final inspection of the Property once the Owner notifies the LUM that the LU Violation(s) have been remediated, or alternatively, after the remediation deadline (or the applicable timeline extension deadline). If the LU Violation remediation is verified, the LU Violation shall be documented as RESOLVED. The official LU Violation resolution date shall be the date of the final inspection. Upon request to the LUM by the Owner, the LUM shall provide a written Land Use Violation Resolution Notice (a "Violation Resolution Notice") to the Owner, documenting the full remediation of the Violation as verified by LUM inspection.

4. Land Use Violation Appeal

4.1. Appeal Submission. An Owner in dispute of the validity of an LU Violation in an Initial Notice may appeal to the CSA President. The Land Use Violation Appeal (the "LU Appeal") is to be submitted in writing to the CSA President at 175 Greenwood Drive or by email to LUMappeal@csaseapines.com. LU Appeals are to be postmarked or emailed no later than ten (10) calendar days from the date of the Initial Notice, excluding federal holidays. A delay may waive the Owner's right to appeal.

4.2. Appellate Process

4.2.1. If so desired, the Owner, and/or their representative (as designated in writing to the CSA

President by the Owner), may appear before the CSA President in person if they so request when requesting a review of the LU Violation.

4.2.2. At the appellate meeting, the CSA President shall consider Property photos, statements by the LUM, any relevant documentation, as well as the Owner's written appeal. If present, the Owner (and/or their representative) shall be provided the opportunity to state their concerns. Once the CSA President has reached a decision regarding the appeal, the Owner will be informed of the decision in writing.

4.2.3. If the CSA President denies the appeal, the Initial Notice LU Violation will stand. The timeline for remediation stated in the Notice will apply, with day (1) of the remediation timeline falling on the next business day after the appeal decision. If the Owner continues to dispute the validity of the confirmed LU Violation, the Owner may submit their request for further appeal in writing to the CSA Board.

4.2.4. If the CSA President upholds the appeal, the record of the LU Violation Initial Notice will be marked resolved by appeal.

5. Land Use Violation Timeline Extension Request

5.1. Request Submission. The Owner may request a timeline extension for LU Violation remediation. The written Timeline Extension Request shall include a proposed timeline with detailed target dates for remediation completion, and justification for the requested timeline extension. The Timeline Extension Request shall be submitted in writing to the LUM at 175 Greenwood Drive or at LUMappeal@csaseapines.com. Time Extension Requests are to be postmarked or emailed no later than ten (10) calendar days from the date of the most recent LU Violation Notice, excluding federal holidays.

5.2. Land Use Violation Timeline Extension Review Process. The LUM is authorized to review and approve Timeline Extension Requests. If the LUM approves such a request, the proposed timeline extension will apply. The LUM may deny such a request for any reason. The LUM shall provide a written response of this decision to the Owner.

6. Owner Notification Process. Written communications referred to in Part II Section B, including LU Violation Notices, LU Violation Resolution Notices, and LU Violation Appeal decisions, shall be sent to the Owner's address as listed in Beaufort County tax records and/or CSA files; in addition, a copy shall be sent by email to the address on file with CSA, if any. Written Timeline Extension Request decisions shall be sent to the Owner's address and/or to their email address, if any, on file.

7. Land Use Violation Fines. A Schedule of Fines for Land Use Rules and Regulations Violations are delineated in Exhibit A.

EXHIBIT A

FINES SCHEDULE FOR VIOLATIONS OF THE LAND USE RULES AND REGULATIONS

SCOPE. This schedule of monetary fines (the "Fines Schedule") applies to Land Use Violations ("LU Violations") of the Land Use Rules and Regulations detailed in Part II Section A of the SEA PINES LAND USE RULES AND REGULATIONS FOR RESIDENTIAL PROPERTY OWNERS, AND LONG TERM AND SHORT TERM TENANTS (the "LU Rules and Regulations").

VIOLATION CATEGORY. The Fines Schedule is subdivided into four (4) Violation Categories ("Categories"). These Categories are specific for those referenced LU Rules and Regulations within the Scope. The referenced LU Rules and Regulations listed within each Category are described using keywords and phrases; the reader is advised to refer to the actual LU Rules and Regulations for complete wording.

REMEDICATION DEADLINE. For each Category, a standard remediation deadline of ten (10) calendar days from the date of the Land Use Violation Notice (the "LU Violation Notice") shall apply. The Land Use Monitor reserves the right to issue an immediate "Cease and Desist" order, and/or to adjust this deadline for situations requiring more urgent action. The applicable deadline for a given LU Violation is that stated in the most recent LU Violation Notice, or in a written response to an approved LU Violation Timeline Extension Request. Deadline timelines exclude federal holidays.

VIOLATION FINES. Monetary fines shall be assessed for LU Violations as indicated below. As shown, the Initial Notice for a few Categories shall include an immediate fine, others shall result in an Initial Notice with no fine (a warning notice). For all LU Violations, fines shall be assessed for LU Violations not fully resolved after the deadline specified in the most recent LU Violation Notice, or in a written response to an approved LU Violation Timeline extension Request. Delays in LU Violation remediation beyond the applicable deadline shall result in cumulative (additional) fines, according to the Fines Schedule. Fines are not assessed on federal holidays.

RESOLVED VIOLATIONS. Fines shall continue to accrue until the LU Violation is deemed RESOLVED by the Land Use Monitor. The Owner is advised to contact the Land Use Monitor by phone at 843-671-7820 or by email at LUM@csaseapines.com when the Owner has fully remediated an LU Violation, so a final inspection by the Land Use Monitor can be performed to verify such resolution. All fines accrued prior to the official Land Use Violation Resolution Date shall remain due in full. No cancellation or reduction of fines shall apply for full or partial remediation.

RECURRENT VIOLATION FINES. For previously Resolved LU Violations that reoccur three (3) or more times in a 12 month period, more aggressive fines may apply, in which the LU Violation Initial Notice fine is as per that of a Second Notice; Third Notice fines, and all subsequent fines, are doubled.

FINE PAYMENT. Payment in full is due CSA within 30 days of the Land Use Violation Notice fine statement. A delay in payment may result in an interest fee. Payment instructions are provided in the LU Violation Notice.

LAND USE VIOLATION CATEGORIES AND FINES

| CATEGORY | FINES AND APPLICABLE LAND USE RULES AND REGULATIONS (Reference Part II, Section A) |
|--------------------------------|--|
| <p align="center">1</p> | <p>Initial Notice: \$0 (warning notice) Second Notice: \$75 Third Notice: \$150 Subsequent Fines: \$30/day (M-F)</p> <p>Applicable LU Rules and Regs 7.1 Overall Appearance: Mailboxes, street number signs 7.2 Overall Appearance: Garage doors 8.2 Overall Appearance: Trash cans</p> |
| <p align="center">2</p> | <p>Initial Notice: \$0 (warning notice) Second Notice: \$100 Third Notice: \$200 Subsequent Fines: \$40/day (M-F)</p> <p>Applicable LU Rules and Regs 2.1 Development Maintenance: Buildings, Fencing, Hardscape 2.2 Development Maintenance: Boat docks, piers, seawalls, bulkheads 2.3 Development Maintenance: Pools 4.1 Landscaping Maintenance, Developed Property: Lawns, bushes, bedded areas 4.2 Landscaping Maintenance, Developed Property: Vegetative debris 4.3 Landscaping Maintenance, Developed Property: Ground cover 5.2 Landscaping Maintenance, Undeveloped Property: Vegetation 6.1 Landscaping Maintenance, General: Trees 7.4 Overall Appearance: Laundry, household items, sports equipment 7.5 Overall Appearance: Structurally permanent yard toys, tents, items in or on trees 7.6 Overall Appearance: Outdoor furniture, lawn accoutrements, flags/banners, signage 7.7 Overall Appearance: Exterior lighting (ARB approved); Holiday/celebratory decorations and lighting 8.1 Trash and Debris: Trash containment and disposal 8.3 Trash and Debris: Disposal at CSA debris pickup locations 8.4 Trash and Debris: Pet waste 9.1 Vehicles: Parking off hardscape 9.2 Vehicles: Junked, wrecked, abandoned vehicles 9.3 Vehicles: Car covers 9.4 Vehicles: Storage of other motorized vehicles</p> |
| <p align="center">3</p> | <p>Initial Notice: \$0 (warning notice) Second Notice: \$500 Third Notice: \$1,000 Subsequent Fines: \$200/day (M-F)</p> <p>Applicable LU Rules and Regs 1.1 Development: Failure to obtain proper permits 1.2 Development: Failure to meet ARB deadlines 3.1 Landscaping: Failure to obtain proper permits 3.2 Landscaping: Failure to meet ARB deadlines 5.1 Landscaping Maintenance, Undeveloped Property: Unapproved structures on site 7.3 Overall Appearance: CSA right-of-way encroachment</p> |

| | |
|----------|--|
| 4 | <p>Initial Notice: \$ 500 Second Notice: \$ 1,000 Third Notice: \$1,500 Subsequent Fines: \$300/day (M-F)</p> <p>Applicable LU Rules and Regs, Part II, Section A 1.3 Development. Completed work fails to meet ARB specs 3.3 Landscaping. Completed work fails to meet ARB specs 6.2 Landscaping Maintenance, General: Damage to Critical environments</p> |
|----------|--|

END OF EXHIBIT A

APPENDIX I. AMENDMENT LOG

[INSERT CSA BOARD APPROVAL DATE] SEA PINES LAND USE RULES AND REGULATIONS FOR RESIDENTIAL PROPERTY OWNERS, AND LONG TERM AND SHORT TERM TENANTS

END

***A Summary of 2020 Action by the
ASPPPO/CSA Land Use Management Committee***

JANUARY 11, 2021

Successes, Challenges, and Recommendations

In its third year of existence, the ASPPPO/CSA Land Use Management Committee (LUMC) held twelve monthly committee meetings in 2020. Its members also undertook authorized individual, sub-team, and task force actions.

A central part of the committee's mission is to support the land use monitor (LUM), a full-time CSA employee. Ryan Kash served as LUM during the entirety of 2020. Having a full time, dedicated and talented staff member assigned to this work allowed for a significant increase in the identification and remediation of land use violations, as summarized below.

Land Use Violations for 2020, as of Dec 9, 2020

- **141 Still Active Violations (100% increase over end-of-year 2019)**
- **397 Violations Resolved (56% increase over 2019)**
- **538 Total Violations Addressed in 2020 (66% increase over 2019)**

It is noteworthy that Mr. Kash's role not only includes monitoring residential properties for land use violations, he also works for ARB to monitor compliance according to the ARB Guidelines.

While much success in the number of resolved land use management violations can be celebrated, a notable number of problem properties continue to remain in violation of covenant standards and land use rules/regulations. A significant number of those properties continue to remain in violation for months, or even years. In the judgment of the LUMC, these egregious unresolved properties, as well as all the many new property violations that continually arise, act to significantly decrease the property values of the given problem properties plus all surrounding neighborhood properties.

In order to address Sea Pines' land use challenges, the LUMC has prepared and recommends for immediate approval "Sea Pines Land Use Rules and Regulations for Residential Property Owners and Long Term and Short Term Tenants". This clear and informative document lays out updated rules/regulations that will ensure covenant compliance for land use management, and includes a fines schedule to motivate prompt resolution of violations.

The LUMC acknowledges that some property owners will not respond to even the issuance of violation notices and fines. Such cases demand that CSA and ASPPPO take legal action to enforce the covenants and rules/regulations. In 2020, the LUMC identified such a property and recommended that legal action be taken. Accordingly, both boards entered into litigation against the owners of 88 Lawton Road. Litigation is still ongoing and is being actively supported by a sub-team of the LUMC.

Detailed Actions

Detailed LUMC actions taken in 2020 include the following:

- ✓ Creation of updated "Sea Pines Land Use Rules and Regulations for Residential Property Owners and Long Term and Short Term Tenants". This document was created in close collaboration with ARB and CSA staff and management. This document was subject to review by CSA legal counsel, review by members of both ASPPPO and CSA boards, as well as review by over 60 POA Presidents. ASPPPO board vote of recommendation and CSA board approval are still pending.

- ✓ Creation of updated “Sea Pines Safety and Security Rules and Regulations”. This document was submitted to the Safety and Security Committee for their consideration and recommendation to the CSA board. CSA board approval of both the SAS and LU Rules/Regulations will allow the retirement of all the currently active 2010 Sea Pines Rules/Regulations and Guidelines.
- ✓ Ongoing implementation support for a computerized software system, Smartwebs, for effective monitoring of individual property conditions. The launch of this currently leased system is pending approval of the LU Rules/Regulations.
- ✓ Preparation for and support of litigation against the owners of a specific residential property for long term and ongoing violation of land use covenant standards and community rules and regulations. Litigation is ongoing.

Estimated Volunteer Hours

The total number of LUMC committee volunteer hours performed in 2020 are estimated to be 3982 hours (equivalent to 100 weeks, or 2 years of full-time effort).

| 2020 LUMC Work Effort | Quantity | Total human-hours by volunteer members (est.) |
|--|-----------------|--|
| LUMC monthly meetings | 12 meetings | 300 |
| LUM hiring/training/support efforts | 1 LUM | 70 |
| Smartwebs software efforts, implementation meetings, training | n/a | 100 |
| Egregious Property Litigation Effort | n/a | 500 |
| LU Rules Efforts: Research, 2 LUMC workshops, Drafting, Legal Review, Communications, Discussions | n/a | 3000 |
| POA Presidents Meetings to review and discuss land use rules and regs, including presentation prep | 2 meetings | 12 |
| | Total | 3982 Hours* |

Respectfully submitted,

Dana Guazzo
 ASPPPO Board Director
 LUMC co-chair

Richard Speer
 CSA Board Director
 LUMC co-chair

Association of Sea Pines Plantation Property Owners, Inc. (ASPPPO)
Membership Committee
Charter 2021

1. Purpose:

With the authority of the ASPPPO Board, to provide a process to recruit new members of ASPPPO and in conjunction with the Communications Committee, welcome new members and provide information about the value of their ASPPPO membership and how they can participate in the governance process within Sea Pines.

2. Responsibilities:

- a. To recruit members of the membership committee that includes a cross section of the Sea Pines Community to include, full time and parttime residents.
- b. To develop a member value proposition that is communicated to all Sea Pines residents.
- c. To develop of process to reach out to non-ASPPPO members with the value of being an ASPPPO member.
- d. To develop a communication strategy to welcome new ASPPPO members and provide them with information for them to be active members.
- e. To solicit input from ASPPPO members on topics of interest to Sea Pines residents for review by the ASPPPO board in formulating positions to take with the CSA Board.
- f. To represent the interests of all ASPPPO members.

3. Committee Membership:

- a. ASPPPO Board Member (Chair)
- b. ASPPPO Communication Committee Chair
- c. Up to nine (9) Sea Pines residential property owners representing full time and part time property ownership.
- d. Ex-Officio: ASPPPO President

4. The Committee Does Not:

- a. Authorize distributions;
- b. Approve or recommend to Members: dissolution, merger, or the sale, pledge, or transfer of all, or substantially all, of the corporation's assets;
- c. Select, appoint, or remove Directors; fill vacancies on the Board or any of its Committees;
- d. Adopt, amend or repeal the Articles or Bylaws.