

Minutes

Elliott House Board of Directors Meeting

Tuesday, May 4, 2010

4:00 PM

Property Management Services

1340 G Ben Sawyer Blvd.

Mt. Pleasant, SC

President Lane Mullis called the meeting to order, he participated by phone. Directors present were Yvonne Gregory, Martha Bonds, Jack Ditterline and Ray Murphy. Lona Vest was present representing Property Management Services.

Attorneys Lenny Krawcheck and Lydia Davidson were present to discuss collection issues and possible amendments to the Master Deed and Bylaws. The Board discussed the importance of liens and judgments in the collections process. Ms. Davidson explained the process of filing liens and then filing an action to receive a judgment against the owner personally. She stated that the judgment will attach to any property owned by that person. She stated that a lien can be filed against the bank in a foreclosure situation if they do not pay the regime fee. She cautioned that banks are not required to pay special assessments.

Mr. Mullis discussed his efforts to expedite the sales of units currently held by the banks. He reported that First National Bank of the South would like to sell their units but must ask Suncoast to release funds that are co-mingled with their loans in order to sell units. He stated that First National Bank of the South is working hard to facilitate the sales of the units and he is hopeful that the matter can be resolved.

The Board agreed that Lona should send a letter advising owners that legal action would be forthcoming if assessments were not paid. Lona would then submit a list of delinquent unit owners to Krawcheck and Davidson for immediate action.

The Board discussed payment arrangements with owners. Ms. Bond stressed that the Board would have to know that the owner is making his mortgage payments in a timely manner. She emphasized that a payment arrangement would be dissolved as soon as an owner reneged on a payment.

The Board discussed various amendments to the Bylaws. A letter with suggested changes from Al Allison was given to Lydia Davidson for her review and consideration.

Ms. Davidson and Mr. Krawcheck were excused from the meeting.

Lona reported that as of the meeting the regime had the following bank balances:

Operating Account \$25,277.48
Capital Reserve \$74,000
Construction Account \$449,161.13

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The Board agreed that there were not enough funds on hand to execute the contract for Phase I with Palmetto Craftsmen. The Board stressed the need to collect funds in order to proceed.

Mr. Ditterline asked about resuming water service to the property. Lona stating that she is having a maintenance company verify that the piping is intact prior to turning the water back on. The Board discussed the cessation of the power and current atmospheric conditions at the property. The Board asked Lona to get a printout from SCE&G showing when the power was last on at the property. The Board agreed to have an environmental specialist examine the units.

Lona reported that Wright, Padgett and Christopher had been monitoring the structural conditions at the property. They will be installing an alarm that will send text messages to the engineers if the building shifts. They will also install an audible alarm that will sound in the event that the structure is collapsing. This will allow people in the immediate vicinity to evacuate.

The Board agreed to table the rental agreement until further notice. A motion was made, seconded and passed to table the rental agreement and allow owners to express their comments and suggestions at an owners meeting.

The Board discussed website management. They did not determine someone to maintain and manage the rental and information requests. They agreed to review the matter further.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Lona Vest
Acting Secretary