

**SWALLOWTAIL-AT-SEA-PINES OWNERS ASSOCIATION**  
**c/o The Club Group**  
**PO Box 6989**  
**Hilton Head Island, SC 29938**  
**SPRING 2015 NEWSLETTER**

The members of the Board of Directors of the Swallowtail at Sea Pines Owners Association met for the regular Spring Board Meeting and Annual Owners Meeting on Hilton Head Island on May 6 and May 7, 2015. The following summarizes the discussions and decisions made at these meetings.

**Refurbishment Program**

Our multi-year refurbishment program is essentially complete. Only two projects remain: the completion of the handicapped accessible first floor bathrooms in units 2887 and 2888 and the stripping of the dated wallpaper in the kitchen and replacing it by painting the walls the same color as the niche behind the living room sofa. As noted previously, over several years projects in excess of \$1.6 million have been invested in our villas. Your Board believes that constant improvement of our vacation homes and the grounds and amenities on site is important to maintain the value of the property and to attract new owners and renters to Swallowtail.

The two projects mentioned in previous newsletters, the second set of outdoor grills and the fire pit at the pool area have been deferred to 2016 and 2017 respectively so that we can reduce expenses to the level prior to the refurbishment. In addition, work at the pool to re-do the pool decking was undertaken this past winter as a number of cracks had developed in that area; the pool surface itself will require work in the near term.

**Financial Report**

As of 4/30/2015, 94% of all 2015 maintenance fees billed have been collected. Again, this is an outstanding result compared to other interval ownership developments and we are grateful for the hard work of our financial team in managing the collection process but also to you, the owners, for recognizing the importance of prompt payment of those fees. However, on the negative side, as of April 2015, 265 unit/weeks are either owned by the Association or are in some stage of the collection process. Of concern is the growing volume of unit/weeks owned by the Association.

The recovery plan from the 2008 theft of funds from a variety of Hilton Head entities continues on track with Swallowtail having recouped 82% of the funds due as of 3/31/2015. The Club Group has been able to obtain financing such that all of the remaining obligation will be paid off by 12/31/2016.

**Marketing Efforts**

As noted in our last newsletter, we have created a new Swallowtail website which is designed not only to provide information for Swallowtail owners through the password

protected Owners portal, but also to serve as a marketing tool for rentals and resales. The website went "live" in February and through the use of Google and Facebook marketing tools, people using Google to look for rental and ownership opportunities and people visiting Hilton Head-related Facebook pages are receiving Swallowtail information.

We have also created a "Discovery Packages" where, for \$299, potential owners or renters can enjoy a 4 day, 3 night stay at Swallowtail and will receive information on ownership opportunities.

**Getaways:**

Because of the bathroom construction project, the Getaway program was suspended during the winter of 2015; however, it will restart this fall and continue through the winter of 2016. Swallowtail villas will be available for weekly rentals at very attractive rates to let you expand your vacation experience, perhaps at a new time frame. Please contact Theresa Thomas at [theresa@villashares.com](mailto:theresa@villashares.com) for availability and additional information.

**Annual Meeting and Special Meeting**

The Annual Meeting of the Swallowtail Owners was held on May 7, 2015. Charles Heinz and Wes Rogers were elected to three year terms on the Board of Directors.

A special meeting of the owners has been called for June 24, 2015 at 10am for the purpose of voting on two issues:

1. South Carolina has amended its laws regarding the foreclosure of timeshare properties to provide for "non-judicial foreclosures." Currently all such actions run through a court process which can take up to 9 months and considerable legal expense to accomplish. The new law provides for a simple notice process to the debtor and one publication in the newspaper and the matter can be quickly concluded. Our current master deed must be amended to conform it to the new South Carolina process and this action requires a vote of the owners. Your Board of Directors strongly recommends a yes vote on this matter.

2. The Board of Directors has unanimously voted to change the By-Laws to remove the provision that prohibits a Director from serving more than two consecutive terms. To maintain what has been effective continuity on our Board, your Directors are requesting your approval of their action so that the valuable experience gained by Directors can be retained without interruption. The notice of the special meeting is included in this mailing.

We wish you a healthy and enjoyable summer and continued enjoyment of your Swallowtail home.

SWALLOWTAIL BOARD OF DIRECTORS (effective 5/7/2015)

Charles Heinz, President  
Thomas, Vice-President &  
Secretary

William McKernan, Treasurer  
Theresa  
Jimmy Jackson  
Wes Rogers