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OFFICIAL NEWSLETTER

MARCH 1, 2013

Volume 12 Issue 1

BOARD BETTING ON BETTER TIMES AHEAD

The Florida Foreclosure Freefall that started in 2008 and hit St. Lucie County particularly hard is reportedly giving one final push of increased activity in early 2013 as a 'third wave' of foreclosures also ripples through VWP2. All but two of the existing foreclosures in VWP2 originated in 2008 through 2010. One was late last year, and another last month, which is a welcome slowing pace. More than 70% of the already-foreclosed units are paid in full!

In preventing history from repeating itself, the POA is proud that, despite extreme financial setbacks and much higher-than-expected unit repairs and acquisition expenses, their plan worked of seizing and renting delinquent and foreclosure units, and buying the ones that came through the system already, most of them utilizing the First Right of Refusal to Purchase. This saved the remaining owners from a repeated episode of internal strife from external investors. Some investors demonstrated during their initial application process a possibility of being problem absentee landlords who actually disliked Associations and Rules and Regulations and would be embattled with the board continuously over fines and violations, causing friction for all the owners. Indeed, many denied sales to third party buyers did not go smoothly. Some potential buyers were quite threatening upon the Board, which, ironically, indicated that they would be problem owners for the Association, as has happened in previous foreclosure cycles, including those who might even have been owner-residents but with bedsheets for window coverings, clothes or blankets hanging over the front walls, cars parked on the road, and 3 or 4 cars and company parked all over.

With 24 units purchased by the POA and those tenants now under the direct control of the Board, there is no need for uncomfortable situations with realtors and out-of-town owners over repeated tenant violations with fines accruing into the thousands. Instead, a quick and simple eviction of the problem tenant can be done. The current number of new POA violations is down substantially already. Yes, there remain some existing problem units from years past that the POA is still dealing with, but now the Board sees a growing, thriving community in the not-too-distant future, free of the strife and civil wars that lead to the 2005-06 recall attempts that set 17 owners against 72!

At the recent Annual Meeting when the incumbents were re-elected with votes ranging from 25 to 30, three brave volunteers came forward to serve on the Architectural Review Committee: Swaby Lawrence, owner of 370 Colesbury, Joseph Kevin Mabe, owner of 174 Colesbury, and Greg Fenty of 205 Sterret. Joseph and Greg also volunteered to serve on other multiple committees for the POA, including the Audit Committee, the Landscaping Committee, and most importantly, the Judicial Committee, which has been inactive and dysfunctional since the April 2011 loss of our beloved and missed chairwoman, Maggie Burns, (Greg's mom). Now, the POA can unclog the years and years of pending fines and violations needing hearing and final assessments. Much of the outstanding and uncollected fines will produce funds to implement long needed repairs to the community! Plus, our delinquencies, which were once 46 out of 89 units not paying, which produced an Accounts Receivable (A/R) near \$460,000, has declined to around a quarter million outstanding, and going nowhere but down slowly from here forward.

We are getting interest from potential new investors and possible refinancings at better interest rates, which would make better cash flow, enabling us to direct funds back into the community that has suffered from delayed and needed repairs and improvements, which will add to the already increasing values! The Board wishes to thank all the owners who supported the Board from the beginning and through the downturn, many even coming to visit us personally. The board enjoyed meeting each and every owner and hearing each of their unique perspectives over the last 3 years, and other's interest in owner financing. If any owner, family or friend wishes to invest in long, OR short term small loans to the POA, for funds needed for unit remodeling and future foreclosure purchases of the 22 to come, we can still reward you with double digit returns, so let us know if you or anyone you know are interested!