

VILLAS OF WINDMILL POINT II POA., INC.

273 SW STERRETT CIRCLE, PORT ST. LUCIE, FLORIDA 34953-3325

WEBSITE: VWP2.COM

EMAIL: POA@VWP2.COM

PHONE: (888)-POA-VWP2
(TOLL-FREE) - (888) - 762-8972

FAX: (888)-FXX-VWP2
(888) - 399-8972

OFFICIAL NEWSLETTER

SEPTEMBER 1, 2011

Volume 10 Issue 3

ST. LUCIE STILL STUCK IN SLUMP

This issue, as most others, has been the most informative for villa owners who live out of the area and of the state. Those local economies may have 'improved' with the Dow soaring close to 13,000 weeks ago, and a recovery in employment and real estate in their areas. But here in St. Lucie, particularly our own personal experiences in VWP2, we see worsening unemployment and lower incomes than reported in the state averages (which showed Florida median income falling from \$48K in 2007 to \$44K in 2010). And although the local unemployment numbers say they 'came down' to 13.7%, "officially", (see yourworkforcesolutions.com), we, see more self employed people out of work than ever! Our estimate could be as high as 30% 'unofficially'. This directly affects new rental candidates, as well as our own long time tenants and residents in VWP2. Getting 'good quality tenants' with the previous, usual, '3 months down' of FLS (*First, Last and Security*) is becoming harder. We are still facing record foreclosures and delinquencies and even the gutting of villa units in foreclosure by defaulting owners, residents and/or tenants, and the authorities have told us there is little that can be done until the bank becomes the new legal owner + secures the unit. So, when the POA seizes or buys these 'trashed' foreclosed units, great expenditure of time, energy and resources is required to get them livable and rentable. We are happy to say that of the 14 units the POA has purchased and owns so far, only 2 are still vacant, needing repairs. The other 6 units seized as delinquent rentals under Board Rule #100c and FL. Statute 720.3085 are also fully repaired, remodeled and rented!

Despite this otherwise great news, tenants have, lost their jobs, had hours cut, or experience unexpected financial setbacks and then, break their leases, either on their private landlords, or, the POA itself, putting a financial strain on the POA. We were hoping that we would be chewing down our high A/R balances by now to begin to put money into the community, but, these continued setbacks has delayed such. Then, unscrupulous banks, and, the same few problem rental unit owners have caused expensive and draining litigation to the POA to defend both itself, and, preserve the noticeable quality of life and resident improvements the board has made over the past 7 years. With the POA unsuccessful at amicably settling the current major 3 cases, we are actually being forced to defend and litigate against our wishes, and all Association owners are thus affected by nature of our all being 'joined at the hip' in community ownership. Even the 2006 fraudulent recall attempts by a handful of rental owners is still costing the POA funds to recover damages! They have all cost tens of thousands of dollars to defend & litigate which has also zapped needed funds for the community, and has been disappointing and draining emotionally, physically and financially to the Board. Adding to all of this, and the unexpected April death of Maggie Burns, we suffered another severe shock/setback with the unexpected passing of a major POA private investor/lender in early July, Mr. Emery Braccini, whom we adored, and will miss very much. (His wonderful family, son and grandson have stepped in to assist the POA the best they can after his passing, which we have greatly appreciated!).

Despite the Board's repeated urging requests for owners to invest funds, or, even volunteer their time and energies to the POA, none have yet done so, forcing the existing Board to absorb what they can, and pass on the increasing operating expenses, taxes, and stiff insurance premiums to all owners in the near future to survive. Many Associations just pass whopping Special Assessments to all owners for such operating shortfalls, but, our owners have made it clear they prefer a small increase in the quarterly maintenance fees rather than short, single shocks to their pocketbook. The initial rumors of the Board needing to raise the fees into the \$600s or \$800s per quarter were greatly exaggerated. That, would only be necessary if the owners demanded a return to Reserve Account funding for 2012, which they have voted unanimously to waive in 2009, 2010 and 2011, and can do so again for 2012 if they so wish, and what we expect to do. Waiving them again would knock any potential increase down to maybe only ten bucks a month for the regular assessments (*except owners who prepaid 2 or 3 years and are 'locked in' to the 2010 rate*).

Finally, recently elected Director Joseph Kevin Mabe has asked to resign from the Board to take care of personal and family issues, leaving a vacancy for the Board to fill immediately, or, in the absence of any volunteer replacement candidates, they will wait for the upcoming Annual Meeting and Election. The other 4 Board members are looking for new faces and replacements to take over their long-lived causes too, and, the battles yet to come. Beginning now, the Board is accepting nominations of anyone interested in serving on the Board for the 2012 term, either volunteer, or, if they insist on compensation as an only condition to serve, we will try to accommodate such in some way. Our Annual Meeting is 12/12/11. Any Director nominations should be received by 11/12/11. If none are received, the current Directors will continue to serve in their existing capacities rather than turning over the management and administration to the State, in hopes of better days ahead someday, and a reward for their efforts.