

FINAL

Approved: November 11, 2007

**Laurel Point Condominium Association
Annual Homeowners Meeting
November 5, 2006**

CALL TO ORDER

President Bressler called the Annual Homeowners Meeting to order at 2:00 p.m. and verified a quorum existed.

Attendance

Present from the Board: Marcus Bressler, John Cabage, Mary Anne Cabage, Kermit Wheat and Gary Zellers.

Present from SPM Resorts, Inc.: Bill Young, Andy Thompson, Fred Eberman, Mary Jo Rich and Ellen Piasecki.

Present from Owners: Ralph and Evelyn Ousley, George Broberg, Patsy McInturff, Kermit and Mabel Wheat, Nancy Pickelsimer, Patricia Pellerin, Mary Stephens, Ruby McSpadden, Carl Mills, Frank Bolden, Beverly Parks, Sally Broberg, Lynn and Willmer Simerly, Emily Ousley, John and Shirley McClellan, Blanche Mackay, Douglas and Shelby Umphress, R.P. and Alice Smith, Ned and Jennie Hayter, Wayne Duggin, Frank Yarnell, Charlen Presley, Robert and Wanda Caldwell, Kami Darakshani, and Donald and Janis Kelso.

Opening Comments

President Bressler introduced the Board members to the owners and stated that the Board had entered into a contract with SPM Resorts, Inc to manage Laurel Point. SPM President Bill Young thanked the Board for this opportunity and introduced the SPM personnel in attendance.

CERTIFICATION OF PROXIES

Mary Anne Cabage certified that 1,140 proxies were returned and 25 homeowners were in attendance, giving a total attendance of 1,165 owners. President Bressler certified that a quorum existed.

PROOF OF MEETING NOTICE

Mary Anne Cabage reported that the Meeting Notice of the Annual Homeowners Meeting of November 5, 2006 was mailed to all homeowners of record on October 5, 2006.

APPROVAL OF CURRENT AGENDA

President Bressler asked for any additions to the agenda. After discussion, President Bressler added item J. Management Company Changes to the Agenda.

RECORDING SECRETARY'S REPORT

President Bressler asked the homeowners if there were any revisions to the 2005 Annual Meeting Minutes. Hearing none, he asked for a motion to approve the minutes.

A motion was made by Carl Mills and seconded by Blanch McKay to waive the reading of the 2005 Annual Meeting Minutes and approve the 2005 Annual Meeting Minutes as presented. All were in favor and the motion carried unanimously.

ELECTION OF MEMBERS TO THE BOARD OF DIRECTORS

Number and Term to be Elected

President Bressler informed the homeowners that the Board was made up of five homeowners elected for three-year staggered terms. He stated that two positions were up for election and that the Board was nominating Mary Anne Cabage and Kermit Wheat for re-election to the Board.

Nominations

President Bressler asked for nominations from the floor. Hearing none, he closed the nominations.

Appointment of Inspectors of Voting by the Chairman

President Bressler stated that appointment of inspectors was not required as there were only two nominees for the two Director positions. He asked for a motion to waive the appointment of inspectors.

A motion was made by Patricia Pellerin and seconded by Wayne Duggin to waive the Appointment of Inspectors of Voting by the Chairman. All were in favor and the motion carried unanimously.

Election of Members to the Board of Directors

President Bressler asked for a voice vote from the homeowners to elect Mary Anne Cabage and Kermit Wheat to the Board of Directors for three-year terms. All were in favor and the vote was unanimous.

MANAGEMENT REPORT

Financial Report

SPM's Chief Financial Officer Andy Thompson presented the Financial Report, informing the owners the revenues had increased from \$890,292 in 2003 to a forecasted \$934,525 for 2006. Expenses were \$827,300 in 2003 and were forecasted to be \$857,434 for 2006. Mr. Thompson noted that the Operating Fund Balance was forecasted to be \$225,106 at the conclusion of 2006.

Fred Eberman, Regional Vice President of Operations with SPM, presented the forecast of revenues and expenses for 2006. He noted that annual revenues were expected to exceed budget and that annual expenses were expected to be less than budget. Therefore, Laurel Point would have an Operating Fund surplus for the 2006 year.

Property Report

Fred Eberman presented the 2006 Property Report. He noted that wireless internet service had been installed in the lobby, iron railings were installed on all patio balconies, interior painting was completed in Buildings A and C, and that a new washer and dryer was purchased for the in-house laundry.

In commenting on capital projects planned for 2007 Mr. Eberman stated that a contract was being awarded to carry out repairs to the exterior stairways in all buildings; that this work would commence in January and was expected to take four months to complete. He also noted that the Board had approved the placement of TV sets in the guest bedrooms of all units. Mr. Eberman invited questions from the owners.

In response to an owner's question on new furnishings, Mary Anne Cabage advised that the present Owners asked about updated interior furnishings. Mary Anne Cabage stated that increased emphasis would be placed on the purchase of new furnishings once the exterior repairs were completed.

Owners inquired about SPM Resorts, Inc. and the management fees charged. Director Kermit Wheat responded that the SPM's management fees were considerably lower than fees charged by previous management companies and Mary Anne Cabage advised that the Board had considered self management but after considering the range of services provided by SPM Resorts relative to the management fee expense, the Board felt having a management company to look after the resort operations was a better option. Mr. Eberman indicated that SPM Resorts corporate office was located in Myrtle Beach, SC and regional offices were located in Orlando, Hilton Head Island, Columbia SC, and on Cape Cod in Massachusetts.

Owners asked about internal exchanges to other SPM managed resorts. SPM President Bill Young indicated that Interval International prohibited SPM from offering an internal exchange program but that owners could obtain discounted rental rates at other SPM resorts. Mr. Young advised that there was a full listing of SPM's resorts on the website.

Sales Report

Fred Eberman stated that Laurel Point had contracted with Palmetto Marketing Company to carry out its resale program. He presented the Sales Report in the place of Palmetto's President, Paul Goodrich, who was unable to attend the annual meeting. Mr. Eberman introduced and welcomed Nancy Latham as the new on-site sales representative. He further noted that four HOA weeks have been sold to date and one owner re-sale is being finalized. Any owners with questions about the resale program can contact Ms. Latham through the general Laurel Point telephone number.

Owners requested that rental information be posted on the website, and **the Board directed management to place the rental agreement on Laurel Point's website.**

OLD BUSINESS

Lawsuit Progress Report

President Bressler exercised Executive Session at 3:25 p.m. to discuss the progress of the lawsuit. He reconvened the Annual Meeting at 3:41 p.m.

SPM Resorts

President Bressler stated that the Board was very pleased with the management services being provided by SPM Resorts. He noted that Andrea Towne was no longer with Laurel Point and that SPM Resorts was providing General Manager services at the resort until a new General Manager was hired. He thanked SPM Resorts for all their contributions to Laurel Point.

NEW BUSINESS

In response to an owner's question on the possible future installation of elevators for Buildings A and B, President Bressler stated that the Board continued to have a strong interest in elevators for these buildings and had researched and considered the possible installation of elevators in conjunction with the planned repairs to the exterior stairways. However, the Board was not proceeding with the elevators in 2007 due to funding limitations, as well as the need to move forward as soon as possible on the stairway repairs due to their deteriorating condition. President Bressler added that in order to afford the elevators in 2007, an increase of \$90.00 per unit in maintenance fees would be required. Vice President John Cabage stated that the Board recognized the need for elevators in Buildings A and B and the Board hoped that this would be possible in 2008.

Mr. Cabage informed the owners that the Board intended to call a special meeting of homeowners in 2007 to consider amendments to the Master Deed and Bylaws.

President Bressler informed owners that all replacement refrigerators would include icemakers.

Giveaways

Free show tickets, free pancake breakfasts, and T-shirts were given away to owners in attendance. SPM President Bill Young gave away three one-week stays at any SPM managed Myrtle Beach resort, as well as two round trip airline tickets and one-week stay at an Orlando SPM Resort.

ADJOURNMENT

President Bressler adjourned the Annual Homeowners Meeting at 4:31 p.m.

Action Item

The Board directed management to place the rental agreement on Laurel Point's website.