



MARTIN DOWNS PROPERTY OWNERS
ASSOCIATION, INC.
3501 SW CORPORATE PARKWAY
PALM CITY, FL 34990

APPROVED

**MINUTES OF THE
ATTORNEY-CLIENT CONFIDENTIAL
MEMBER REPRESENTATIVES/
BOARD OF DIRECTORS SPECIAL MEETING
MDPOA MEETING ROOM
February 08, 2024**

In attendance were the following:

MDPOA Board: Timothy Graham, President
Patricia Brimlow, Vice President
Laura Cardinale, Treasurer
Bernie Carmell, Secretary

MDPOA Staff: Jody Armstrong, Administrator

MDPOA Attorneys: Elizabeth Bonan, Esq., REB Law

Member Representatives:

Carol Vertesch, Charter Club (204); Salvator Milazzo, Clubhouse Court (48); Luis Rubio, Heronwood (157); Russell Schutts, Ibis Point (120); Carol Paprotna, Islesworth (123); Karen Bevis, LaMariposa (86); Todd Rosenhaus, Mallard Creek (43); Jay Mahoney, Manero's (8); Jay Mahoney, Martin Downs Business Park (355); Joe Carr, Meadows (832); Bobbie Howard, Monarch HOA (526); Bob Leach, Montebello (20); Louise Auclair, Osprey Creek (45); Brian Wenrick, Palm City Golf (32); Joe Remian, Parkside (68); Dave Phillips, Pheasant Run (30); Rick Mariani, Pine Ridge (300); Tom Petty, Quail Meadow (84); Lisa Vasquez, Seacoast National Bank (5); and Rose Wright, Sunset Trace (596); .

CALL TO ORDER

The Member Representatives meeting was called to order by Timothy Graham, President, at 1:02 p.m.

QUORUM

President Graham verified that a quorum was present.

KATZ SETTLEMENT

President Tim Graham provided details regarding the lawsuit brought against Martin Downs Property Owners Association, Inc. (MDPOA), Shenandoah General Construction Co., and Dennis Rohan (then President of

MDPOA) by David Katz and Barbara Katz. President Graham also advised that the settlement offer reached, was the same as the offer unanimously approved by the Members January 20, 2024. The global settlement offer from Martin Downs POA and accepted by the Katz' was:

- (i) \$550,000 to purchase the Katz Property, confirmed by an inspection and appraisal
- (ii) \$500,000 in cash
- (iii) dismissal of case with prejudice and general release (and other customary settlement terms and conditions)

Liz Bonan, Esq., legal counsel for Martin Downs POA, explained the reason for the requested Amendment to Section 6.4 of the documents which adds language needed to broaden the authority of the Executive Committee regarding the reasons for Special Assessments. Members present will vote by ballot with Yes or No to approve the additional language in Section 6.4 as was presented in writing to each Member with their Notice and Agenda of today's meeting.

Graham explained why Martin Downs POA is requesting approval for a special assessment in the amount of \$127.04 per unit to each Member, in order to collect \$600,000 needed to pay the \$500,000 cash settlement part of the settlement plus additional monies needed to cover ancillary expenses to buy and own the property such as closing costs to buy and sell the property, pay the interest on a PNC loan to purchase the property, purchase homeowners insurance, pay property taxes, pay real estate commissions, prepare the property for sale including cleanup and landscape improvements, contract for lawn maintenance, pay HOA dues, and pay utilities. Members present were instructed to vote by ballot with Yes or No to approve the Special Assessment of \$600,000 to be due April 1, 2024, and therefore proceed with a loan for the purchase of the property.

President Graham provided the details of the PNC loan being sought to purchase the property at 3926 SW Creekside Terrace, Palm City. It would be a Small Business Time Loan for 9 months, at prime plus .74% to 1.74%. PNC has agreed to use account balances in our investment portfolio as collateral, estimated to total \$586,000, plus modification and origination fees. There is no early pay penalty if the property sells before 9 months. All agreed the loan was the right option to purchase the property, rather than a Special Assessment.

Graham explained why Martin Downs POA needs to special assess \$127.04 per unit to each Member, to Ballots were cast and counted. Totals votes were: Amendment: 3,685 - Yes, and 0 - No. Special Assessment: 3,685 - Yes, and 0 - No. Both proposed ballot questions passed by unanimous vote which was more than 51% of the Members present, therefore Article 6.4 of the Documents will be Amended; and a Special Assessment will be levied to the Members and loan obtained from PNC to purchase the property to fulfill the Settlement Offer Agreement.

ADJOURN

A Motion was made and seconded to adjourn the meeting. The Motion was unanimously approved, and the meeting was adjourned at 2:15 p.m.

Respectfully submitted,

Jody Armstrong, CAM, Administrator