



February 3, 2023

Dear South Hampton Owner,

We apologize for the short notice, but unfortunately, The South Hampton Board of Directors has been forced to require a Special Assessment effective February 15, 2023, payable within 90 days. The need for this assessment is due to insurance renewal cost coming in significantly higher than our Insurance Agent's estimate. Due to the significant storm damage last year, rates have increased far more than were anticipated. The situation was so significant that the previous insurance provider actually refused to renew the policy and the Board was forced to find an alternate provider. The 2023 actual shortfall for the annual property insurance renewal is \$155,000. The Board approved a one-time Insurance Special Assessment for 10% of the previous year's annual budget, or \$143,082. The remaining shortfall will be absorbed by the Association. While this is a one-time Insurance Special Assessment, The Board of Directors believes it paramount to inform the membership this is an expense we can expect to remain for the foreseeable future and will cause an additional increase in dues for 2024.

The cost shall be assessed as a common expense to be collected from the unit owners according to the percentage of ownership outlined in the Master Deed. The total Special Assessment amount for each unit is as follows:

Units	Description	% Of Ownership	Balance Due Within 90 Days
72	2BR Unit	0.063140	\$903
69	3BR Unit	0.0075750	\$1,084
3	4BR Unit	0.0075750	\$1,084

The Board has approved the assessment to be paid in full within 90 days of the effective date. The balance due for your associated unit type is due on or before May 15, 2023. This will allow you to split this payment up or pay in full amount at one time. In either case it must be paid in full by the May 15, 2023 due date.

Please note that a Special Assessment payment coupon booklet will not be mailed to you directly from Alliance Bank. You may mail your Insurance Special Assessment payments directly to our office at: PO Box 8939 Myrtle Beach, SC 29577. Please make checks payable to South Hampton, POA Inc. Please be sure to include your account number in the memo line on your check. Your account number is 165 followed by your unit number. Example: 165123.

If you are currently using auto draft services through Alliance Bank, your account WILL NOT be automatically drafted, though you can log in to make a onetime payment for your Insurance Special Assessment.

If you have any questions regarding the special assessment, please contact the Association Office at (843) 443-4003 or via email at michelle@empresstmgt.com or stacey@empresstmgt.com.

For the Board of Directors,

Association Manager
Empress Management, LLC