



**Deercreek**

**On Deerfield Plantation**

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December 30, 2020

Dear Homeowners.

We hope this letter finds you and your family well and enduring these trying times.

As for many of you, 2020 has been an interesting, challenging, and often difficult time for us at Deercreek. Trying to cope with the Covid pandemic and all of the corresponding restrictions that differ sometimes from city to city, has created a severe hardship on the course of normal business operations.

Most of all, in our business, travel restrictions coupled with restaurant and attraction attendance rules have cut deeply into our occupancy by you and our RCI and rental customers. At this time, the greater Myrtle Beach area is open with distancing, mask requirements and gathering restrictions but regardless, it is mostly open. Back in the spring this was not the case and the entire region economically suffered greatly.

We join you in looking forward to returning to more normal times and the opportunity to travel and vacation as usual. Hopefully, this is not too far in the future.

In that regard, please be aware that your 2020 week is not gone forever; we will make every effort to give you your "lost to Covid week in 2020" at some point in the future. Just contact the office when you anticipate coming to Deercreek and we will do everything we can to accommodate your request. You may not get your same unit and the available dates may be different, but we will address all requests on a first come first serve basis. We can do this because of delinquent and owned by us weeks that we normally try to rent. Instead, you will have access to these units and weeks to replace your lost week. Of course, we anticipate that your regular 2021 week(s) will be ready as scheduled.

The good news is that Deercreek was able to weather this storm and financially we actually had a decent year. That is hard to imagine with the steep decline in activity this year, but we nonetheless adapted our operations to the reduced activity in the required amount to give us a good year. This would not have been possible without your dedication as Homeowners to paying your fees on time despite perhaps not being able to enjoy your week(s) at Deercreek.

We were successful this year because we were able to get a Paycheck Protection Program (PPP) loan through the Small Business Administration. This loan allowed us to keep our entire staff fully employed during the spring and summer despite having little or no occupancy during most of those months. We took advantage of the access to the units to do routine and major maintenance and other needed activities around the property. We applied for and were granted, full forgiveness of the PPP loan and all accrued interest.

The second and most important aspect of our success, was our staff's ability to quickly and effectively reduce expenses during the downturn. Using the PPP money for staff payroll expense, we cut every other expense as much as possible and thereby finished the year in decent financial condition.

Now for some updates:

For the 8th year in a row, we've been awarded Silver Crown Resort status with RCI. We actually earned Gold Status based on our evaluation grades from RCI guests but choose to stay at Silver because we don't have some amenities Gold Crown properties do and we don't want to disappoint our RCI guests.

The home construction on the old golf course on either side of us is now proceeding quickly. The east side is almost completely built out, the west side now has many homes finished and under construction. On the

west side a wooden privacy fence has been built behind our fence down to the edge of the water runoff pond.

Deercreek Road out to Platt Blvd. is still in desperate need of repaving. We were hoping to get this done in 2020 but it was delayed. We are still working with the other principal partners in this effort who share our sense of urgency in getting this done and we hope to make it happen in 2021.

Keep in mind our incentive program. Refer a new owner to us and get a \$100 rebate off your maintenance fees on the next billing cycle.

We are still generating rental income from the delinquent and Deercreek owned unit weeks. Activity is not what it was before Covid but there still is some and we are anticipating pent-up demand once restrictions are lifted further. As a homeowner you are entitled to the lowest rate available by calling our office and making a reservation. The rental rates for you are very competitive and are seasonally adjusted. You save money and we (and you) save money on rental commissions from our web rental activity.

Don't forget you can also communicate with us on our website at [www.deercreeksurfside.com](http://www.deercreeksurfside.com).

### Financial Status

Despite the difficult year described above, and with thanks to the staff of Deercreek, your Board of Director's has once again for the 3rd year in a row created a budget for 2021 that keeps your overall weekly fees the same as 2020. Never an easy task, especially with the uncertainty of the future, we believe we have crafted a reasonable and achievable budget for next year.

We still have the continuing problem of some homeowners who can't or won't pay their fees. Our obligation to you is to do everything we can to work with these homeowners to get these fees. We try to work out a payment schedule or refer them to our collection agency. These efforts have proven moderately successful and again the staff's diligence in this effort has literally paid off.

The 2021 annual estimated fees are:

	<u>2 Bedroom</u>	<u>3 Bedroom</u>	<u>4 Bedroom</u>
Operating Maintenance Fee	\$672	\$712	\$744
Long Range Capital Fee	<u>\$ 94</u>	<u>\$ 98</u>	<u>\$106</u>
Total	\$766	\$810	\$850

The unit week property taxes that can be claimed on 2020 tax returns are:

<u>2 Bedroom</u>	<u>3 Bedroom</u>	<u>4 Bedroom</u>
\$31.73	\$35.46	\$39.33

Our Annual Meeting will be held March 6, 2021. We are still determining whether this meeting will be held online or in person. Please look for an update in our January annual meeting mailing. At that time two current board members' terms will expire. If you are interested in serving on the board, please submit your resume to the Deercreek office no later than February 15, 2021 (nominations are not accepted by phone). The board will meet four times next year and is responsible for financial planning, formulation of policy and oversight of Deercreek operations.

**Deercreek office hours are Sunday – 8:00am to 6:00pm, Monday through Saturday – 8:00am to 5:00pm.** If you plan to arrive after office hours, please call for late arrival instructions. Please be aware we will be calling all our scheduled owner arrivals to verify usage. This helps us in completing maintenance and housekeeping projects as well as making sure there are no conflicts.

Enclosed please find the 2021 calendar (remember to consult your calendar when planning your vacation) and the 2021 budget with comparisons to 2020 and 2019. The updated long range capital reserve plan and the detailed operating budget will be available for your review at the Deercreek office, as well as the annual meeting minutes.

*We wish you and your loved one's happiness, peacefulness and good health in this happy holiday season and in the new year!*

*Deercreek Board of Directors and Staff*