

Mike FARMAKIS

HOA Upcoming Meeting, Thursday 11th

To the HOA Committee Chairs and Vice Chair,

Homeowners are a complacent group of people until they find themselves in disagreement with their HOA. Unfortunately, there are few reasonable options to dispute HOA decisions and most homeowners simply give up.

NC Gen. Stat. [Sec] 7A-38.3F

Prelitigation mediation of condominium and homeowners association disputes (ncleg.gov)

This statute is required in every North Carolina DCCR unless you live in my HOA community where it has been deleted. There has never been any notification by the HOA to the community of these rights.

I found myself on the HOA Board in 2022 and accumulated 613 megabits of documentation that details Travelers Insurance fraud, Board member self-enrichment, and deliberate denial of homeowner's rights to repairs while disregarding the DCCR's in general.

Our DCCR provides insurance for all structures upon the land and is paid for through our monthly assessment. Years ago, the Board and Property Management company wrote a book of Rules and Regulations (RR) that contradicts the DCCR's and misinformed homeowners that the HOA insurance coverage was for liability only.

Homeowners have been misled into purchasing their own additional HO6 insurance policies despite paying for that coverage through their assessments until 2023. Those that managed to file claims with the

HOA insurance were denied at times by the Board despite never having that authority. Travelers' insurance went along with the scam so as to maintain the HOA insurance policy. The Board had written letters of disapproval to Travelers and Windermere for accepting claims from homeowners.

In order to further deter those few homeowners from filing claims, the HOA and property management raise the deductible from 2,500 dollars to 25,000 dollars. Since the HOA was the primary insurer and the individual homeowners HO6 policy was secondary, this behavior left homeowners without any insurance since no one could afford a 25,000 dollar deductible.

While on the Board I fought this criminal behavior as best I could. I was voted off the Board after a few months for no cause other than pointing out such irregularities by the Board and informing homeowners of the deception and costs to homeowners. When homeowners were denied services, I would contact the homeowners and advise them to refile using the DCCR's as the basis for their claim and dispute the RR.

The Board and property management hired a lawyer to write three resolutions directed at me. I was ordered to not communicate to any homeowner, that I was elected to represent, in any manner, period. I was also threatened this past summer by the Board and Property management claiming my discussions with the homeowners could be looked at as interfering with the Board's work.

Despite the threats and rumors spread by the Board concerning me, everything that I fought for gained momentum. The resolutions did not apply after I was voted off the Board so my informative "Discussions"

resumed. They pulled the RR and started to approve the maintenance items they had previously denied. The insurance deductible was reduced back to 2,500 dollars and the insurance broker made an appearance at the annual meeting. A letter was mailed to each homeowner what insurance they actually had through the HOA and all that we personally needed was liability and personal property insurance.

I'm still fighting for the repair bills my neighbor and I suffered from issues that the HOA covered for others but not for us. With lawyer fees and repairs we are approaching thirty thousand dollars plus. Again, our repairs are exactly the same as repairs made to other units, but we are being denied.

In the meantime, the Board has now refused to post any Board meeting minutes since June 2023. This is in response to my having access to all the prior Board minutes and was successful with using the information to enlighten the community. I have requested the recent meeting minutes but my request was denied. I was told that no minutes are available since no one attended the open Board zoom meeting. These Zoom meetings were started in March 2023 I believe, and ended after the June meeting due to lack of participation. Zoom or not, Board minutes must be taken and made available.

I would be happy to meet with your committee and provide the information I have acquired. I would love to share with you this community's experiences and how the same small group individuals find their way back onto the Board and push their agenda vs following the DCCR's.

Michael Farmakis
9004 Scotch Heather Way
Charlotte, NC 28277

Community

South Gate Commons, Ballantyne Area (1997)

- 1) Need for Oversight (I've contacted Congressman Bishop and CLT council woman Ajmera Dimple – all said civil matter, refused to help. I questioned when does a civil matter become a criminal matter and no response.
- 2) Homeowner Apathy – no effort to engage in complex language. DCCR's need to be re-written for clarity.
 - a) Elizabeth Towns HOA actually documented responsibilities to clarify responsibilities. Their homeowners were allowed to vote on clarification – not our community.
- 3) Property Management takes advantage of homeowner's lack of knowledge and confusion
- 4) Article 12, arbitration option required by law NC General Statute [sec] 7A-38.3F #(j) and (c).
 - a) Article 12 has been removed from our DCCR's and none compliance by PM to notify members of their right to initiate a mediator – problem is Property Management does not have to participate in mediation.
- 5) I provided Board with Section 12 to reinsert in DCCR's they refused. (committee dissolved) said it would be too difficult to get homeowners to vote for approval. Not necessary as it is law.

Operates outside of the DCCR's

- 1) Rules and Regulations that contradict DCCR's
- 2) Insurance fraud
 - a) Liability only coverage when in fact full HO6 coverage
 - b) Get own HO6
 - c) Use personal HO6 before filing HOA claim (primary vs secondary issue)
 - d) Travelers refusal to take homeowner claims (Ms. Bodo and Bodo vendor – removed from office no explanation after I questioned her relationship to Vendor.
 - e) Board expressing displeasure with Windermere Insurance Broker for taking claims – asked me to file claim with Travelers because of Board pressure
 - f) Deductible to be paid using reserve fund as agreed by Property Management and Board.
 - g) Board continued to charged homeowner for deductible anyway
 - h) Increase in deductible from 2500 to 25000 dollars to keep homeowners from filing claims. This increase was never approved by homeowners, no vote.
 - i) My helping homeowner landlord get damage to home paid for– outraged Board after they denied him coverage. John Reiter claimed no knowledge of Windermere Insurance briefing.

- j) Windermere briefed Board they had no right to deny claims. Board given two options, to amend DCCR's or do nothing and suggest to homeowners ways to decrease damages that lead to claims – PM and Board made no changes in behavior.

Board member enrichment

- 1) Heaven and Earth (Vinnie)
- 2) Diarmuid deck fixed before he ran for Board. Approved by PM not Board.
- 3) Vinnie as an unknown vendor being paid – unknown for what however.
- 4) Bypassing requirements placed on homeowners
- 5) Putting their work orders ahead of others

Limits to Board members service and back ground checks

- 1) Vetting – one Board member apparently had charges of past embezzlement according to another Board member.

Read from last page
To first page.
Mike FARMAKIS

Good Afternoon Board,

I have received a response back from the insurance company which clarifies the insurance claims and also the Association's governing documents and the legal requirements of insurance coverage by the Association based upon the governing documents' wording.

Please see the email chain below from the insurance agent who clarifies this matter.

At this point, there are two different ways the Board can handle this situation:

1. Attempt to present an amendment to the membership to amend the governing documents so that the insurance coverage and requirements fall under individual townhome owner insurance policies. This would require legal counsel on this matter but I recommend a survey to the membership before speaking with an attorney to hopefully avoid any unnecessary expenses if this type of action would have a low chance of support.
 - a. This would be very difficult to do as a set percentage of the membership would need to approve this amendment. Since this type of amendment would require more cost on individual insurance policies, it would be tricky to gather the necessary support.
2. Put together a communication to the membership with the assistance of the Association's insurance agent which fulfills the necessary steps requested by the insurance company so that the recommended steps to townhome owners would hopefully lessen the claims filed overall. Any type of prevention techniques allowed based upon the governing documents would help fulfill this kind of assistance and hopefully lessen any future increases to the insurance premiums.

I will await the Board's decision on this matter.

Thank You,
Sarah Hawkins
Community Manager

Note: The Board voted for option #2.



From: Lisa L. Hathcock <lhathcock@windinsgroup.com>

Sent: Tuesday, November 16, 2021 3:17 PM

To: Jeanette M. Bukevicz <jbukevicz@windinsgroup.com>; shawkins@wmdouglas.com

Subject: RE: Southgate Commons HOA Insurance Premium Increase

Hi Sarah. The reason that the claims were paid under the master policy is that their declarations require that the HOA is to provide coverage for all buildings and improvements upon the land. It also states that unit owners may obtain insurance coverage at their own expense upon their own personal property and for their personal liability and living expense. The declarations don't require them to insure any of the building elements. That being said, in each claim, the unit owners also filed under their HO6 policies.

Each claim was denied under their policies due to the verbiage of the declarations. All townhome claims have to be adjusted based on the verbiage on the HOA declarations since they are the legal documents. I know that it's frustrating but the only way to change it is to have the declarations amended.

Please let me know if you have any additional questions.

Lisa L. Hathcock - Partner / Senior Claims Manager
Direct: 704.247.3020 | Email: lhathcock@windinsgroup.com



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From: Jeanette M. Bukevicz <jbukevicz@windinsgroup.com>
Sent: Tuesday, November 16, 2021 1:28 PM
To: shawkins@wmdouglas.com
Cc: Lisa L. Hathcock <lhathcock@windinsgroup.com>
Subject: RE: Southgate Commons HOA Insurance Premium Increase

Sarah,

I see the below claims in our system but have copied Lisa Hathcock, our claims manager, if additional details are needed

4/17/21-water claims resulting from washing machine overflow

9/17/20- burst water heater

7/10/20-upstairs water heater burst

Jeanette M. Bukevicz, CIC - Account Manager
Direct: 704.247.3016 | Email: jbukevicz@windinsgroup.com



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From: shawkins@wmdouglas.com <shawkins@wmdouglas.com>

Sent: Tuesday, November 16, 2021 9:36 AM

To: Jeanette M. Bukevicz <jbukevicz@windinsgroup.com>

Subject: RE: Southgate Commons HOA Insurance Premium Increase

Importance: High

Good Morning Mrs. Bukevicz,

Thank you for your patience as the Board reviewed the comparison provided and also the question Auto Owners has asked of the Association.

At this time, the current Board has expressed some concerns and confusion about the two claims on file from last year over owner versus Association responsibility related to the water heaters. Could you please provide information about these claims (and claim numbers) so it would be better explained in detail?

Please see the attached governing documents if needing to review this information. The Rules and Regulations also includes a section for Insurance that comes from the governing documents. Dependent on what information you are able to provide, the Board will be looking into this matter into more detail to confirm this information for the insurance and for future reference going forward with the Association.

Thank You,
Sarah Hawkins
Community Manager



William Douglas Management

Phone: 704-230-3131

Fax: 704-377-3408

www.wmdouglas.com – Register online to review your homeowner account information, make a payment, and access many other self-help options.

From: Jeanette M. Bukevicz <jbukevicz@windinsgroup.com>
Sent: Monday, November 15, 2021 10:45 AM
To: shawkins@wmdouglas.com
Subject: RE: Southgate Commons HOA Insurance Premium Increase

Sarah,

Attached is comparison of current Travelers policy and their renewal offering.

I am also working with underwriter to offer an Auto Owners quote but they have asked if there is any steps association has taken or will be taking in future to mitigate water heater losses. Do you know if these are being replaced? With the two water heater claims last year underwriter is considered of more in the future.

Jeanette M. Bukevicz, CIC - Account Manager
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From: shawkins@wmdouglas.com <shawkins@wmdouglas.com>
Sent: Friday, October 8, 2021 11:50 AM
To: Jeanette M. Bukevicz <jbukevicz@windinsgroup.com>
Subject: Southgate Commons HOA Insurance Premium Increase

Good Morning Mrs. Bukevicz,

I am the new Community Manager for Southgate Commons HOA.

I am reaching out because of previous communication from yourself regarding a possible increase to the insurance premium for Southgate Commons HOA. By any chance, is there a way to receive a renewal document showing this increase and the details of the insurance for the Board's review on the matter?

Thank You,