

# Mariner's Pointe Interval Owner's Association, Inc.

## MPIOA BOARD RESOLUTION

### FOR AUTHORIZING THE DISTRIBUTION PLAN AND DISBURSEMENT OF NET PROCEEDS

**WHEREAS**, April 22, 2016, the MPIOA, Inc., Board of Directors executed a Board Resolution regarding the MPIOA's member response to the Association's Referendum requesting the members preference regarding continuing business as usual, or begin the process of Termination, Dissolution, and Liquidation and the 2016 Referendum results of 94.5% of the entitled voting members determining such action as to Terminate and Dissolve the Association and liquidate its assets as the preference of the Association membership; and

**WHEREAS**, the Fourth Amendment to the Amended and Restated Declaration of Horizontal Regime and Master Deed of the Mariner's Pointe Interval Owners Association, Inc. (MPIOA), recorded April 28, 2018, in Book 1500, Pages 688-697, at the office of Register of Deeds of Cumberland County Tennessee, provides for the MPIOA Board of Directors to perform the steps necessary to complete the termination, dissolution, and asset liquidation processes as expediently and efficiently as possible; and

**WHEREAS**, on November 15, 2018, the Mariner's Pointe Resort Interval Owner's Association, Inc. (MPIOA), sold its Remainder real estate containing 18.52 acres as surveyed in June 2018, to the highest bidder at public auction, with all improvements contained thereon as sold in accordance with the publication of sale, the property bearing address 109 Mariner's Pointe Drive, Crossville, Cumberland County Tennessee; and

**WHEREAS**, EXCLUDED from the conveyance of the Remainder parcel is the subdivided parcels identified as Mariner's Pointe Resort Division Lot #1 and Lot #2, together containing 4.23 acres, as reserved for sale to Universal Services Corporation as Buyer, as evidenced in the Minutes of the Special called meeting of the MPIOA Board of Directors dated September 10, 2018, and evidenced further by the Real Estate purchase Agreement executed by USC September 24, 2018, and by MPIOA Chairman of the Board September 26, 2018, on behalf of the Board of Directors in accordance with their unanimous vote of approval; and

**WHEREAS**, it appears net proceeds shall remain after all expenses are satisfied, and said net proceeds as surplus funds of the Association shall be disbursed in accordance with a Plan of Distribution of said funds, within the parameters of the communications disseminated to the membership regarding the member's account balance and status as remaining compliant regarding all charges unto said member accounts as having executed the Interim Membership Agreement; and

**BE IT RESOLVED**, the Board of Directors herein approves of the Exit Expense Chart of accounts and further stipulates all expenses to be funded in full with the remaining 'net proceeds' to be distributed in accordance with; the **Articles of Incorporation of the Association**; the **Revised and Restated Declaration of Horizontal Property Regime and Master Deed as Amended** by the First, Second, Third, and Fourth Amendments; and the adopted **Plan of Distribution as administered by the Board of Directors of the Association**; and

**BE IT FURTHER RESOLVED**, there are no other members of the Association EXCEPT those Association Special members who executed the Interim Membership Agreement; all of which will have kept their account compliant, and as such are subject to receive their pro-rata share of the 'net proceeds' as described in EXHIBIT 'A' to this Resolution; and

**BE IT FINALLY RESOLVED to the benefit of the Association and its Special Members in accordance with all documents governing and communicating the timeliness of each account of all Association members as entitled and relevant to the Association's actions including the executed Interim Membership Agreements on file as of this 15th day of December, 2018.**

Signed: Henry Phillips  
Henry Phillips (Dec 18, 2018)  
Henry Phillips, Chairman

Signed: Sidney R. McBee  
Sidney R. McBee (Dec 18, 2018)  
Sid McBee, Director

Signed: Ben Edmonson  
Ben Edmonson (Dec 17, 2018)  
Ben Edmonson, Director

## **EXHIBIT 'A' TO RESOLUTION AUTHORIZING THE PLAN OF DISTRIBUTION OF NET PROCEEDS AS SURPLUS FUNDS**

### **CONSIDERATIONS:**

1. Regarding the results of the March 25, 2016 Referendum, with approximately 87% of the Mariner's Pointe Interval Owner's Association, Inc. (MPIOA) members voting, 94.5% of those voting have voted in favor of terminating and liquidating the Association.
2. As a result, two options were determined for the membership to follow, as described in a letter from the MPIOA Board of Directors through its Agent to all eligible members on May 30, 2017.
  - a. Option 1) offered the MPIOA Owner the opportunity to convey his/her unit interval to the MPIOA in exchange for a release of liability for existing and future expenses of management, operations, maintenance, and professional fees, expected to occur in perpetuity until conveyance of the property to a buyer; or
  - b. Option 2) offered the MPIOA Owner the opportunity to convey his/her unit interval to the MPIOA and enter into an Interim Membership Agreement (IMA), by which these members would continue to fund the expenses as anticipated in Option 1) above, in support of the Association's efforts until the Termination is complete, and in return, these members remain entitled to share in the net proceeds from the sale of the Association assets as long as their account remains in a 'current' status. The deadline for response for becoming an Interim Member under the IMA Agreement was October 31, 2016, and on that date the Board Resolved to assess all member accounts remaining \$1,000.00 for its immediate expenses.
3. A letter to the membership May 30, 2017, identified four (4) categories of Interval Owner accounts as set-out for the members;
  - a. Category 1; owner accounts owing \$100.00 or less, who had neither responded nor complied with the Board's directives to choose and carry out either Option 1 or Option 2 as presented; and
  - b. Category 2; owner accounts in foreclosure; and
  - c. Category 3; Association owned weeks; and

