

SUMMER HOUSE CONSTRUCTION DEFECTS LAWSUIT

I am very happy to report that after over three years of litigation the Summer House construction defects lawsuit has been settled.

The Summer House Homeowners Association instituted the lawsuit against seventeen parties, who were responsible for the construction and/or sales of the Summer House condos to the present homeowners. It was proven through detailed inspection and analysis that the Summer House buildings have various construction defects that were caused by the various parties involved in the construction of Summer House, and those defects were not disclosed to the buyers of the Summer House condos by the parties that sold the condos.

This lawsuit was initiated in 2013 before the Statue of Repose was reached. After the date of the Statue of Repose, a lawsuit could not be filed, so that the homeowners would be responsible for any repairs due to the construction defects. As a result of this lawsuit, initiated by the Homeowners Association, we now have a funding budget to apply for repair of the problems caused by the construction defects. The primary goal of the Homeowners Association is to perform the repairs within the available budget.

Over the last three years the Homeowners Association Board of Directors has been involved in dispositions by the many litigants' attorneys. In addition there has been multiple mediation sessions with all parties involved in the lawsuit. I, personally, have been deposed in two sessions for a period of about 16 hours by the litigants' many attorneys, and I have spent three days in mediation meetings in Hilton Head, Beaufort, and Charleston. It was a lot of time and energy, but now that we won, it was worth it. We now can pursue a course of action to fix the construction defects that exist in our community using the funds received in this lawsuit.

It should also be noted that with the completion of the lawsuit, restrictions imposed by banks on issuing of mortgages have been rescinded.

Now that the lawsuit is settled, we come to the next phase of this project, i.e., fixing the construction defects. This involves developing detailed documents to use for obtaining bids by multiple contractors to fix the identified problems. It requires identifying potential bidders, negotiating contracts, and awarding those contracts to get the work done.

Richard Schulman
President of the Homeowners Association
January 2017