



HSV STRATEGIC LOT ACQUISITION

Description

The following email from the Hot Springs Village Property Owners' Association Board of Directors was sent June 23, 2021:

A Word From Your Hot Springs Village Board of Directors

The Board of Directors would like to share with HSV property owners an important transaction that is currently concluding. For many years now there has been discussion about a "[lot strategy](#)", and this transaction is a key step in the strategy identified by the POA. At its June monthly meeting, the POA Board unanimously voted to purchase all the post-two-year auction lots from the Arkansas Commissioner of State Lands for the price of \$22.50 per lot.

Once the transaction is complete, the POA will begin suspending lots in areas that are underserved by utilities, listing for sale the desirable lots that are served by utilities, and developing a plan to group lots in some neighborhoods to attract developers/builders.

The purchase of these lots will help the POA accomplish many goals relating to our revenue and expenses, including:

- Mitigate the risk of costly POA development expenses in areas with little or no existing infrastructure (i.e., no water, sewer or roadways).
- Reduce expenses associated with delinquent assessment collections.
- Attempt to 'right size' the community with buildable lots, helping lead to a sustainable financial model.
- Generate new revenue from POA-owned land through timber sales.
- Encourage 'scaled' development in specific targeted areas of the Village instead of the shotgun approach we have today.

- **Take lots out of inventory that are in natural drainage ways or are otherwise unbuildable or cost-prohibitive for construction.**
- **Identify lots that could be used for trail crossings or trail construction in areas where little or no existing amenities exist.**
- **Identify lots in developed neighborhoods that could be used as green space or park space to improve livability of the area.**
- **Increase the value of lots in general by reducing the glut of lots currently for sale.**
- **Ensure large investor groups do not purchase blocks of properties with an intent to control a vote or have an unfair influence over a vote presented to the property owners for consideration.**

The acquisition of these lots at this time was triggered by the purchase of 1800 lots from the Commissioner of Land just in the last month by various corporations on and off-shore. It has been the experience of the POA that these corporations do not pay assessments or taxes and it is a constant merry-go-round of these lots coming back to the Commissioner of Land with no money ever being collected.

Lots that sit at the Commissioner's office over-inflate POA revenue and under-account for bad debt. By obtaining these 2000+ lots the POA has the basis for making a realistic and sustainable assumption for assessment collections to better budget for current and future capital needs.

The Board is fully supportive of the forward-thinking, strategic action the POA has taken.

Respectfully provided,

HSVPOA Board of Directors, June 16, 2021 (email arrived June 23, 2021)

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Thank you for reading. If you like, please comment below. We love to hear your opinion, but comments must be made using your first and last real name, or they will not be accepted. If you would like to submit an article for publication, please contact us through this website. Be sure to bookmark this website. Click [here](#) to visit the Hot Springs Village People Facebook Group.

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