

**Subdivision Trustee
Workshop Series:**

Subdivision Trust Indentures

Originally Presented in 2007

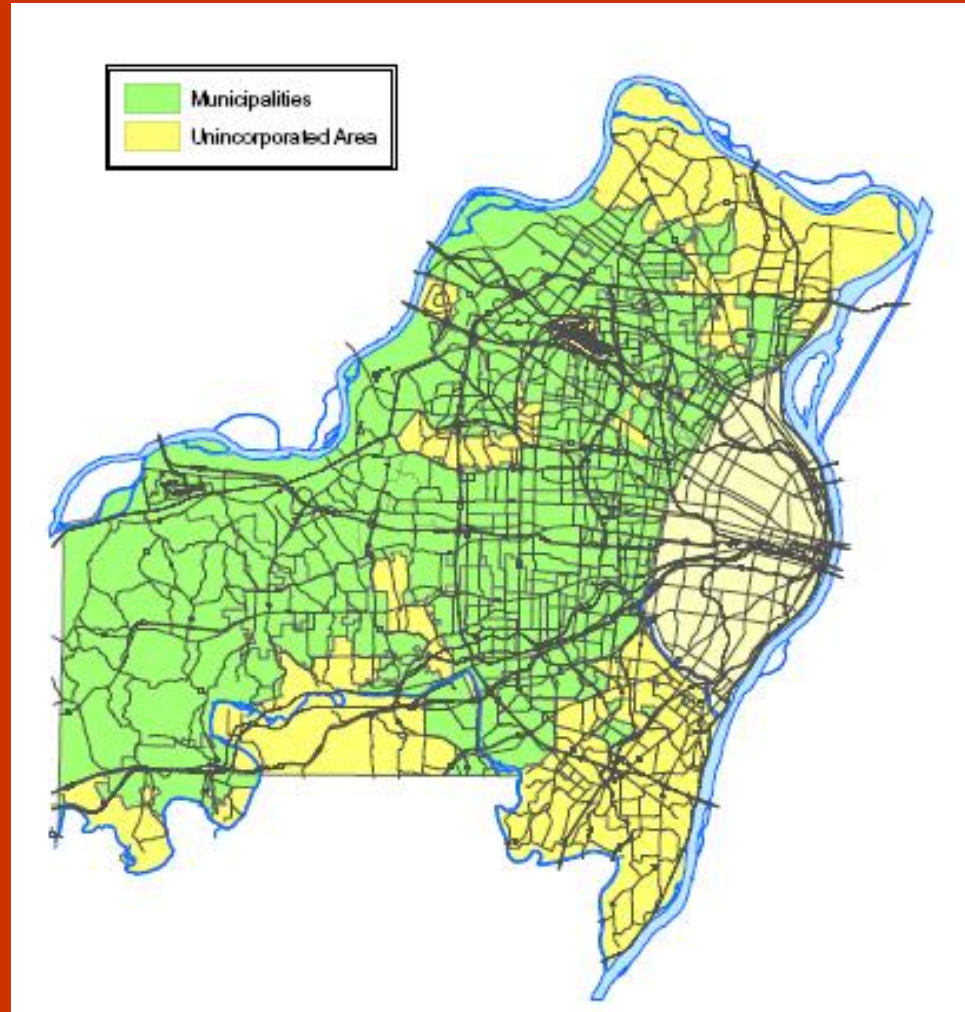
Workshop Agenda



- Welcome and Introductions
- Presentation by Department of Planning
- Presentation by Attorneys
- Question and Answer Session

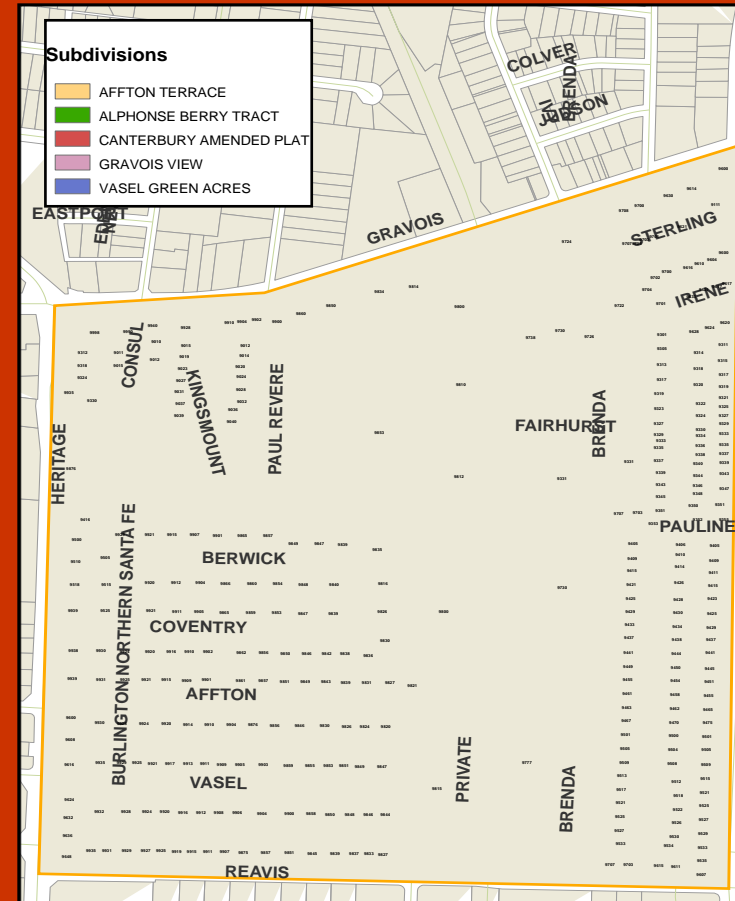
St. Louis County

- St. Louis County is home to over one million people
- Nearly 1/3 of residents live in unincorporated neighborhoods and subdivisions



Subdivision Associations in St. Louis County

- Subdivision associations are created to enforce subdivision trust indentures and to maintain common grounds, etc.
- Over 600 subdivision associations and 1,800 trustees have registered with the St. Louis County Department of Planning trustee roster



Subdivision Trust Indentures

Why do subdivisions have trust indentures?

- To identify the physical boundaries of the subdivision
- To detail the rules and procedures by which the subdivision operates
- To describe the responsibilities and powers of the association and its trustees
- To protect and maintain the aesthetics of common amenities

Subdivision Trust Indentures

Common components to indentures:

- Definition of key terms
- Membership and voting rights
- Maintenance and services provided
- Annual and special assessments
- Finance and borrowing provisions
- Use restrictions
- Amendment provisions
- General provisions
- By-laws
- Ordinances

Amending or Updating Your Indentures



Reasons to amend indentures could include changes in:

- Trustee members
- Association assessments levied
- Building rules
- Election of new trustees
- Language contained in the indentures, etc.

Amending or Updating Your Indentures

Procedure for amending indentures:

- Amendments to indentures are drafted
- Board of Trustees calls a meeting of subdivision residents
- Homeowners vote to approve amendments
- If amendments receive the appropriate number of positive votes, the amended indentures are ready to be signed by the Board of Trustees and recorded
- Amended indentures are filed with the St. Louis County Recorder of Deeds
- Some indenture amendments require the signature of the St. Louis County Director of Planning or the municipality in which the subdivision is located

Subdivision Assessments

- **Annual assessments** are typically used for expenses such as:
 - Cutting grass and maintaining landscaping on common ground
 - Maintaining subdivision signs
 - Providing street lighting
 - Duplicating and mailing subdivision newsletters and meeting notices
 - Supporting block parties and other subdivision-sponsored social events
 - Hiring attorneys or other professional services
 - Maintain private streets
- **Special assessments** may be levied periodically and are used for major capital improvements

Subdivision Assessments

How are assessments collected?

- Trust indentures outline the amount and method of collecting assessments
- Many subdivisions use collection agencies
- Enforcement of assessment collection is a civil matter, as indentures are legal documents

Filing a Lien

What is a lien?

- A lien against a homeowner's real estate is an encumbrance on the property deed that must be paid as part of the closing process when the property is sold

Filing a Lien

Steps to file a lien:

- A Board of Trustees or a professional property management company may file a lien if a homeowner fails to pay the required assessment
- A trust indenture typically gives the subdivision association the power to file a lien for just cause after a certain period of delinquency
- The assistance of an attorney is generally necessary when drafting a lien
- The lien must be signed by the Board of Trustees or the professional property management company and filed with the St. Louis County Recorder of Deeds

Roles and Responsibilities of Trustees

- The specific duties of subdivision trustees are dependent upon the provisions of the trust indentures
- The Board of Trustees is responsible for the enforcement of indentures and the maintenance and upkeep of the subdivision's common amenities

Roles and Responsibilities of Trustees

Duties of subdivision trustees may include:

- Budgeting and allocating funds for necessary maintenance and repairs
- Contracting for services such as snow removal, tree trimming, sidewalk repair and landscape maintenance
- Ensuring that the subdivision association and its trustees are covered by insurance policies

Roles and Responsibilities of Trustees

- Ensuring that all outstanding assessments are collected during the sale of homes in the subdivision by working closely with title companies
- Responding to residents' requests for service and other assistance
- Conducting meetings to review subdivision business and holding an annual general meeting to elect a Board of Trustees
- Signing documents as official representatives of all residents in the subdivision as allowed by the trust indentures

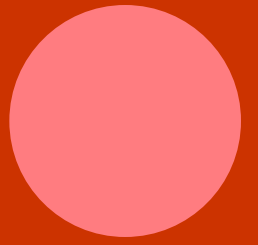
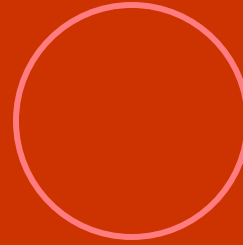
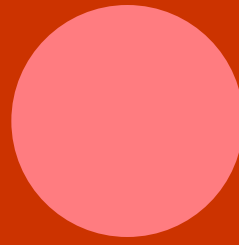
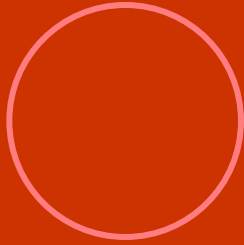
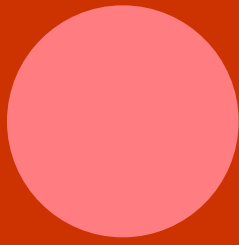
Roles and Responsibilities of St. Louis County



- The Department of Planning does review indentures to ensure that they comply with St. Louis County ordinance
- St. Louis County does NOT enforce indentures

Presentation by Attorneys

- St. Louis County Roles and Ordinances – Robert Grant, Deputy County Counselor
- Fundamentals of Subdivision Trust Indentures – Marvin Nodiff, Attorney at Law
- Amendments to Subdivision Trust Indentures – Suzanne Zatlin, Attorney at Law
- Enforcement of Subdivision Trust Indentures – Richard Magee, Attorney at Law



Question and Answer Session

Contact Information

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Contact Information

- Community Associations Institute (CAI) is a valuable resource for subdivision associations
- St. Louis Metropolitan Chapter
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