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January 22, 2021

***Sent via Email***

Alex Halbach  
Cutler Law Firm, LLP  
140 North Phillips Avenue, 4th Floor  
PO Box 1400  
Sioux Falls, South Dakota 57101  
[alexh@cutlerlawfirm.com](mailto:alexh@cutlerlawfirm.com)

Re: Sunrise Cove Time-Share Association, Inc. – Your File #6202.01

Dear Mr. Halbach:

Our office has been retained by Goodmanagement, LLC (“**Goodmanagement**”) in connection with your request to inspect accounting and financial records of Sunrise Cove Time-Share Association, Inc. (the “**Association**”). Goodmanagement is concerned the dissemination of the information listed in Article VI, Section 6 to the timeshare owners could violate debt collection laws. Specifically, Goodmanagement asked our office to review if it would violate debt collection laws to release to you and your clients the following information related to other owners: (i) the name and current mailing address; (ii) the amount of each assessment; (iii) the dates and amounts in which the assessments come due; (iv) amount paid on the account; and (v) the account balance.

Based on our review, we conclude at this time that the release of the above information to you, or your clients, would likely violate both Iowa Code section 537.7101 *et seq.*, the “Iowa Debt Collection Practices Act” (the “**State Act**”), and 15 U.S.C. section 1692 *et seq.*, the “Fair Debt Collection Practices Act” (“**FDCPA**”) (the State Act and FDCPA, collectively, the “**Acts**”).

Although the Acts differ slightly, they are meaningfully the same in the following ways: (1) the assessments paid by owners to the Association are considered “debts”; (2) all of the owners are considered “debtors” (the term “consumers” under the FDCPA); (3) Goodmanagement is defined as a “debt

collector”); (4) communication to third parties regarding the debts of debtors/consumers is prohibited unless express authorization has been granted by the debtor<sup>1</sup>/consumer; and (5) none of the exceptions listed in the Acts permit disclosure to the owners.

Goodmanagement is committed to allowing the inspection of all accounting and financial records the owners are entitled to review under the bylaws, so long as providing the records is permitted by state and federal law. But it does not appear at this time that the information contained in Article VI, Section 6 can be legally shared with the owners pursuant to the FDCPA and the State Act. If you can provide authority showing Goodmanagement would not have legal liability under the FDCPA or State Act if it provided the information the owners seek, or if you are able to obtain the express, written consent of the debtor-owners, we would be willing to reevaluate whether dissemination is permitted.

Goodmanagement will still provide the following records for your review at the previously agreed-upon time on January 27, 2021:

- Minutes of meetings of the Association for the past five (5) years
- A record of all receipts and expenditures for the last five (5) years
- A copy of Goodmanagement’s agreement with the Association

Please feel free to contact me via email or telephone should you have any questions or concerns, or if you have any additional information you can provide for Goodmanagement’s review. Thank you.

Sincerely,



John M. Hines  
For the Firm

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<sup>1</sup> Under the State Act, this authorization can only be sought from debtors who have defaulted.