

February 15, 2017

TO: White Bluff Property Owners
FROM: Your Board of Directors
Leonard Critcher, President
RE: Double Diamond Meeting

Mike Ward addressed a small group of property owners at a meeting held at 10:00 AM at the Trophy Grill. He had solicited attendance from two Hill County Sheriff Deputies as well as WB Security Staff.

There were Double Diamond employees offering attendees proxies. The proxies had White Bluff Property Owners Association, Inc. in large letters on the top. However, the actual proxy verbiage granted the proxy to Mike Ward even though the header said WBPOA. This was pointed out to the DD employees, and the proxies suddenly disappeared then reappeared with the header removed.

Mike Ward stated that the meeting was not an official meeting but was more of an open forum in which he would talk about the results of Double Diamond's solicitation of support for the country club proposal as well as answer questions from attendees.

Mike Ward reported that Double Diamond had received approximately 1,000 affirmative "votes" in favor of the proposal and approximately 380 negative "votes" expressing opposition. As an aside, you should recall that DD had admitted that there were no votes at all, just the expression of an opinion. It should also be pointed out that countless property owners chose to not vote "against" the proposal for fear that they would be granting their proxy to DD.

This POA communication is to inform our property owners of the above as well as the following:

Because the meeting had been scheduled at a time not conducive to countless property owners, the WBPOA hired a professional videographer to record the meeting. Prior to the meeting the videographer was asked to vacate "Double Diamond Private Property" and cease videoing. Two sheriff deputies were asked to assist with his removal. It was pointed out to the deputies that White Bluff is a resort, open to the public, and the videographer had every right to be there.

The entire "meeting" was recorded as well as what happened prior to the meeting and will be available on the POA website, probably tomorrow.

Mike Ward did make a couple of declaratory statements that were simply not true. He referenced our new management company, FirstService Residential and what they would cost the POA relative to what the POA has paid DD. The POA has paid DD approximately \$55,000 per year. He stated that the new management company would cost twice that much. The truth is that our contract with FSR calls for a management fee of \$3,000/month. That is guaranteed to remain level until which time there are 1,000 homes in WB; there are approximately 650 homes now. In his country club proposal, Ward and Double Diamond will increase their management fee from the current \$55,000 to \$250,000 per year with a 5% increase each year during their 12 year management of the proposed country club.

He also talked about the non-responsiveness of FSR to property owner needs and that many people have told him about FSR at other communities. Your POA did do extensive investigation regarding the service aspects of all of the companies we were considering, and FSR consistently received high praise from other communities.

Mike Ward also suggested that WB employees would not have as good of a benefit package as they have through Double Diamond's leasing company. Our property owners can be assured

that the employees working at WB under the new management company will have an outstanding fringe benefits package.

If you have an interest in viewing the meeting, the link to the video recording will be available tomorrow at www.whitebluffpoa.com.