

May 29, 2018

TO: White Bluff Property Owners  
FROM: Your Board of Directors  
RE: Current Resolution Efforts

A Mediated Settlement Agreement (MSA) was signed by your Board and Double Diamond on March 17<sup>th</sup>. This binding agreement was very detailed and was the foundation for an Asset Purchase Agreement (APA), which was to include standard terms related to the agreed-to terms in the MSA. As was reported to all property owners at the POA Annual Meeting and in a subsequent email communication, Double Diamond chose to add elements to the MSA and significantly alter elements in the MSA during what should have been an easy transition to the APA.

Rather than continue in a fruitless continuation of constant stalls, reversals and significant alterations in what had been agreed to in the binding MSA, the Board has taken action to force compliance to what was agreed to on March 17<sup>th</sup>.

The WBPOA has filed suit in Hill County District Court for a breach of contract, asserting that Double Diamond had agreed to the terms of the Mediated Settlement Agreement and refused to abide by the agreement. A Demand Letter has been sent to Double Diamond informing them of this action and demanding that it comply with what it agreed to do.

We regret that two parties can agree to provisions that affect many thousands of property owners then have one party choose to not comply with what it agreed to do.

Your Board has instructed our legal counsel to request the earliest possible date for this issue to be brought before the Court. We have also instructed our legal counsel to re-initiate the litigation seeking a fourth contempt of court against Double Diamond as well as other issues put on hold while the now aborted negotiations were taking place.

As a follow up to previous communications, Double Diamond has been given formal and state-dictated demands that it comply with our governing documents and properly maintain the White Bluff properties it owns. This demand was made last week, and the Board will take appropriate action if Double Diamond does not comply.

Your Board seeks resolution but will not cease in our resolve to hold Double Diamond responsible for fulfilling its responsibilities to our community and all of our property owners.