

TO: White Bluff Property Owners  
FROM: Your Board of Directors  
Leonard Critcher, President  
RE: Filing of Lawsuit

The Board of Directors authorized the law firm of Riddle & Williams to file a lawsuit on behalf of The White Bluff Property Owners Association against Double Diamond, Inc.. The suit has been filed in Hill County.

The suit is a matter of public record. The lawsuit speaks for itself and nothing in this letter is intended to vary the allegations in the lawsuit. The purpose of this letter is simply to provide a lay explanation of the lawsuit for your information. In essence, the WBPOA is seeking guidance from the Court on the WBPOA's obligation, if any, to continue to pay for the maintenance of amenities owned by Double Diamond, including the two golf courses. That obligation was set forth in a Use and Maintenance Agreement between the WBPOA and Double Diamond. The agreement, signed in 1990, expired on 12/31/2015 and was temporarily extended by mutual agreement with Double Diamond until 06/30/2016. The POA Board approved an additional ninety day extension in its meeting on 06/20/2016; however, Double Diamond has refused to sign the extension. Because of ongoing litigation brought by a group of property owners and the uncertainty created by the current situation of not having a Use and Maintenance Agreement with Double Diamond anymore, the Board thought it prudent to seek guidance from the Court.

In the event that the Court does determine that the POA is either obligated or is permitted to maintain the golf courses, the suit requests that the POA be authorized to oversee all golf course maintenance and control the costs associated therewith and that the courses cannot generate a profit to Double Diamond.

The suit also requests that the Court stop Double Diamond from exercising any and all future actions as Declarant at White Bluff as well as making the developer's recently filed sixth amendment null and void. In effect, the POA is asking the court to rule that the developer cannot continue, after twenty five (25) years, to act in the capacity of Declarant, that the developer cease all future unilateral actions that impact the WBPOA and its members, and grant the WBPOA the rights to make decisions that affect the members of the association without involvement of the developer.

While the WBPOA awaits a decision from the Court, the WBPOA will continue to pay for maintenance of the golf courses. The Board will keep you apprised as matters evolve.