



### **Additional Information**

#### **Regarding the Purchase of Geosyntec's Judgment and the Cancelled Auction**

You may recall that WLCCC hired the *Geosyntec Engineering Company* to provide engineering services to develop plans to repair the dam before Hurricane Matthew hit. WLCCC failed to pay *Geosyntec* (~\$300K); and as a result, Geosyntec had a "*Judicial Lien Judgement*" against all WLCCC's property and assets.

To satisfy that judgement, *Geosyntec* was planning to conduct a *Judicial Lien Auction* of WLCCC's property and assets on the 16th of October.

In anticipation of this event, the *Restore Woodlake Committee* (RWLC) established a Limited Liability Company (LLC) to be our legal bidding entity at that auction. The LLC accrued a credible bidding bank account. The LLC's goal was to gain ownership of the Woodlake dam, lakebed, and marina, at the auction, so that we could then go on to reestablishing the lake.

On Friday, October 12th, Steiner Consulting, GmbH purchased Geosyntec's judgment for ~\$374K and as a result, cancelled the auction. This purchase gives Steiner Consulting, GmbH first priority lien position. A note to refresh our memories, the priority of *Judicial Judgments/liens* is determined by date of filing. The lien priority order is: Geosyntec's judgment (now Steiner Consulting, GmbH's judgment), Steiner's Deed of Trust (disputed), the Woodlake POA's judgment, the Woodlake Class-Action lawsuit judgment, and the State of NC's consent judgment

Through an aggressive initiative and persistence, a Woodlake resident, Ken Shedarowich, has convinced Steiner and his Board, via a business development plan, that with proper management and investment, Woodlake could be a going business concern. Ken has indicated that Steiner decided to purchase the Geosyntec judgment and halt the auction to pursue that business plan.

Steiner's lawyer (Mr. Joseph Johnson) who is visiting from California has been quoted as saying "Steiner will bring Woodlake back from its current sad state and make it a showplace." Obviously, time will tell.

We have learned that Julie Watson is no longer employed by WLCCC, so we assume new management will be forthcoming. This could be an early indicator of change.

It's too early to tell if Steiner's actions will match the intentions stated by his lawyer. We'll only know when we see observable, positive changes.

To preserve our options until we know for certain what the "New Woodlake" will be, we are keeping the "Bidding LLC" in place, and our POA and Class-Action judgments remain viable which means we have the right to execute them in the future if we deem appropriate. To reiterate, the purchase of Geosyntec's judgment in no way affects our ability to execute our judgments.

We will also work positively and proactively with any new Woodlake management team to help bring this situation to a successful conclusion.

Right now, there are more questions than answers, but we're working to garner additional insight and be active participants in Woodlake's revival. More info to come as this complex situation unfolds.

Regards,

The POA Board and the RWLC