

New Owner Emerges At Woodlake

By [JAYMIE BAXLEY | jaymie@thepilot.com](mailto:jaymie@thepilot.com) 19 Mar 2019 The owner and CEO of a Fayetteville office equipment supplier has obtained a controlling interest in an entity that co-owns Woodlake Country Club Corp., the company that runs the troubled Woodlake subdivision near Vass.

Keith Allison is the president of Systel Business Equipment, a company that touts itself as “the largest independent dealer of office equipment in the Southeast.” In a two-page letter shared Monday with Woodlake residents, Allison said he has owned property in the gated community for more than 25 years.

“My daughters learned to ski on the Woodlake lake,” Allison wrote. “My family and I have a long-standing association and sentimental attachment to Woodlake.”



Keith Allison, a longtime Woodlake property owner and resident, has emerged as a new part-owner of Woodlake Country Club Corp.

That connection, he wrote, is partly what drove the businessman to secure a controlling interest in J & Partners LLC, an entity that was previously owned by Julie Watson, the former vice president of Woodlake CC Corp. Watson reportedly cut ties with Woodlake after residents of the development, which is home to about 2,000 people, were awarded a \$161 million judgement last year in a class action lawsuit against Woodlake CC Corp.

The lawsuit blamed Woodlake CC Corp. for causing property values to plummet in the subdivision after failing to make state-ordered repairs to the dam at Lake Surf, the 1,200-acre impoundment for which Woodlake is named. The lake was drained by the state Department of Environmental Quality after Hurricane Matthew weakened the dam in 2016 and jeopardized homes downstream. In 2017, the state breached the deteriorated dam.

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March 18, 2019

Re: An Introduction of Keith Allison, a Woodlake Home and Property Owner

Dear Woodlake Residents:

Let me introduce myself - I'm Keith Allison, a home and property owner in Woodlake for over 25 years. My Greenbrier Place lakefront cul-de-sac property is often used for community events. My daughters learned to water ski on the Woodlake lake. My family and I have a longstanding association and sentimental attachment to Woodlake. Seeing it empty saddens us! I have another property with a house on Daphne Ln. that I use whenever I am at Woodlake.

I'm also the President/CEO of Systel Business Equipment Co., Inc., headquartered in Fayetteville, N.C. It's a \$60 million company, 255 employees, with offices throughout North Carolina and the Southeast. It is the Southeast's largest independent dealer of imaging products and solutions. Our related Real Estate companies combined are actually larger than Systel with over \$100 million dollars in commercial and residential real estate.

Of interest to the WL community, I now own the controlling interest in J & Partners, LLC, a co-owner of Woodlake Country Club Corporation (WLCCC.) As such, I have more say in the current Woodlake Country Club situation. Let me spike current WL rumors and erroneous web postings: 1. Jim Horne or Ingolf Boex is not involved (in fact I can't recall ever meeting Mr. Boex); 2. While J & Partners was a Julie Watson, LLC, I now have the controlling interest. That LLC is an available legal vehicle that permits me to have some say in any decisions by Woodlake CC Corp that may affect the WL community; My N.C. licensed attorneys reviewed the lease transaction and deemed it to be a legal transaction under N.C. law. 3. My very capable lawyers are prepared to take whatever legal actions are required to substantiate the legality and validity of the Allison Holdings X, LLC lease, and confront and take action on anyone publishing false or malicious misinformation.

Before I acquired the interest in J & Partners, one of our related Real Estate Companies, Allison Holdings X, LLC secured a 5 year lease, with (3) 5 year renewal options, on the bulk (approx. 15 parcels) of Woodlake Country Club Corp. (WLCCC) properties. That lease includes the Maples Course, the Oates House, the 19th Hole (Members' Lounge), the WL Real Estate office, the strip of the Palmer Course along SR-690, the marina, and property surrounding the dam. It does not include the dam and lakebed as I did not want to interfere with the mission of RWLC - more work to do there! For additional details go to the Restore Woodlake website, and look under "WLCCC Leases." - <https://www.restorewoodlake.com>. My attorneys have called for a special meeting of the WLCCC co-owners' Board to remove any doubts as to the legitimacy of my leases, resolve any lingering issues (if any), and get Steiner Consultants, (a German Company) to address any other issues.

I'm a long-term neighbor who has the best interests of our community as one of my principal focuses, most notably, the restoration of our dam and lake. I am a member of the Class Action and a Financial Contributor to RWLC. It is currently an evolving situation that has a well-situated WL neighbor in a position to help even more. Toward that end, I am working with all relevant parties, to include WLCCC co-owners, the WL POA and Restore Woodlake Committee, Fort Bragg leadership, Moore County, and N.C. State officials, and our Congressional Representatives including Richard Hudson as well as Senators Burr and Tillis.

Residents have yet to see any money from the class action judgement against Woodlake CC Corp., which is plagued by prior debt. The lawsuit was orchestrated by the Restore Woodlake Committee, a group that hopes to rebuild the dam and bring water back to the centerpiece lake. Allison said in the letter he is a member of the resident class that sued and a financial contributor to the Restore Woodlake Committee.

Charlie Jones, chairman of the committee, said the group had worked with Allison ahead of a planned auction last fall initiated by Geosyntec Consultants, one of the many creditors that had sought to collect on debts owed by Woodlake CC Corp. The committee had enlisted Allison as a potential bidder for the auction as part of a plan to secure ownership of the empty lakebed and breached dam — assets needed to refill the lake.

But Illya Steiner, the Germany-based president of Woodlake CC Corp., settled the company's debt to Geosyntec before the auction, effectively canceling the sale. He bought the judgement through his consultancy agency, according to people familiar with the transaction.

It was a surprising development, as Steiner has kept largely silent on Woodlake's financial woes and legal travails. Watson had represented the corporation during the class action hearings in Moore County Superior Court.

In addition to now having a controlling interest in an entity that owns a portion of Woodlake, Allison said he secured a five-year lease “on the bulk of Woodlake Country Club Properties” through one of his real estate companies, Allison Holdings X LLC. The properties, he wrote, include the subdivision's real estate office, club house, marina and one of the two golf courses.

The lease does not include the dam and lakebed, with Allison writing that he “did not want to interfere with the mission” of the Restore Woodlake Committee. But the other properties and the controlling interest in Watson's former entity, he wrote, give him “authority to stop Steiner from any actions that your representatives and I feel will be negative and/or harm the WL community even more (if that's possible).”

“I'm a long-term neighbor who has the best interests of our community as one of my principal focuses, most notably, the restoration of our dam and lake,” wrote Allison. “It is currently an evolving situation that has a well-situated (Woodlake) neighbor in a position to help even more.”

In an interview on Tuesday, Jones said has seen no evidence that Steiner “is committed to doing anything to restore the lake and dam.”

“(Allison) is physically here and he has the financial wherewithal to see this through,” Jones said.

But the road to restoring the lake, Jones said, will be a “serial process” filled with “myriad opportunities and pitfalls.” Multiple avenues have been proposed for the \$9 million project.

State legislators recently put forth a pair of bills seeking to establish a special taxing district in Woodlake, which would theoretically allow the county to finance the restoration of the dam — a

necessary precursor to refilling the lake — by issuing bonds that would later be repaid by residents. The Moore County Board of Commissioners, however, says it is opposed to the proposed legislation.

Alternatively, some residents have been lobbying the N.C. General Assembly to enact legislation that would make Woodlake the county's 12th municipality. As a town, Woodlake would have taxing authority to pay for the dam.

“Our position is that we’ll support anyone who can restore the dam and lake,” Jones said.

And in his letter, Allison suggests no quick solution is at hand.

“Just know, however, I am unable to move forward with what I would like to see and at a pace I would like to,” Allison wrote, “as Woodlake is entangled in many legal and financial issues, the likes of which I have never seen...

“It’s time that something must be done.”

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