

October 21, 2019

To my Friends and Neighbors at Woodlake,

First I want to thank everyone for all the notes, cards, emails, messages and other well wishes I have received over the past two months from all the folks at Woodlake. Two back surgeries in a two-month period...Needless to say set my schedule back a little. I do apologize if I've been unable to recognize everyone who sent me a message or a card during this time but I did read each one of them and thank everyone for their well wishes.

I did want to update everyone on the status of the various governance and legal items occurring at Woodlake, and specifically to provide an update for the October POA meeting.

As noted previously and by order of the Moore County Superior Court, the Steiner group was required to turn over all records and documents relating to the operations of Woodlake and WLCCC. Going through the documents we received, it has become evident at least from what was provided, that there was no accounting system in place for many of the financial transactions – a lot of transactions were potentially “off the books.”

It is important that we have a true and accurate accounting of any and all transactions that occurred from inception until current for WLCCC. If these do exist, we have not received them and are having to use forensic accounting to try and piece together the various transactions that occurred before I became involved in this situation. It is critical to get this information and get it accurately as it impacts security interests filed against Woodlake that must be resolved. This is imperative as we try to verify consideration received for these liens and Deed of Trusts as to reach agreement on the amounts for such or else it will legal action for the courts to sort out. We have also been looking at clearing this up in State Court as to any potential bankruptcy filings but if it goes into bankruptcy it will need to be adjudicated in Federal Courts - all of which are lengthy and time-consuming processes. On a positive note, Dr. Steiner and his folks are working with our attorneys and we are trying to agree on a resolution with the ultimate goal in mind of restoring the lake. Hopefully after going through the books and records we can determine a fair and reasonable solution that would allow us to move forward with this goal.

While restoring the lake has been our primary objective, we also are reviewing options for restoring other amenities - one notable example being the opening of the pool this past summer. We have also been looking at various vendors who could provide food service to the pool area during the summer, The Oates house, and the 19th hole, either together or separately. I have had proposals on the 19th hole for some residents to open that facility, and I am willing to review and entertain any viable proposals that are in the best interest of the community. I would like to reiterate though we are looking for something that would sustain as an ongoing business concern, operate independently, and with previous restaurant management experience. And before we are able to restore any possible golf facilities we need the lake restored, which involves the liens that I referenced above being cleared-up. Until then there is not much we can do with the two golf courses to maintain them as golf courses - it is simply natural habitats awaiting lake restoration.

We are making progress. Hopefully the latest outreach by the Steiner group will provide us a positive direction, and speed things along as I know it seems that nothing is taking place. I can assure everyone that behind the scenes we are working diligently, with accountants and attorneys and even through our Board of Directors, trying to reach a resolution and avoid lengthy court battles while the property continues to accrue unpaid property taxes becoming additional liens

that need to be cleared-up to move forward with restoring Woodlake. During this time, I've also been working with the Restore Woodlake committee and their leadership to look at restructuring the current criteria that would provide more control directly by community governance and residents, rather than a developer.

We will continue to work on the objectives as outlined above, and if there are any notable events that occur, I will update the community. But please be assured that we are working to correct the financial and other problems which existed with Woodlake since the bankruptcy filing in 2015 until now. Because we are dealing with numerous issues and some requiring court action, it is not going as fast as I would like to see it or I'm sure that anyone else would like to see. We are working diligently toward that goal and creating some limited amenities. The pool during the summer was a good example of how we can move forward with restoring various amenities, while continuing our financial and legal battle, especially if it has to wind through the courts.

Again I just wanted to give everyone an update as to where we are at and what lies ahead from now until spring. And as noted thank everyone for your well wishes on my surgeries. It has certainly slowed me down for the past couple of months but has not stopped any progress toward a permanent resolution. I look forward to continuing to work with your community committees and what is our common goal of restoring Woodlake and revitalizing the community once again from years of neglect and mismanagement.

Best Regards

Keith Allison