

Fellow Residents and Friends of Woodlake,

It is a pleasure to announce that Atlantic National Capital (ANC) has completed a long involved legal process, which concluded with a public foreclosure auction and they officially filed the deed last week to all Woodlake property previously owned by WLCCC. This filing included the elimination of any foreign ownership in the Woodlake Properties owned by WLCCC. ANC is a family -owned investment company, headed by my daughters, Jacqueline Allison Smith, a Commercial Real Estate Broker, and Janene Allison Aul, ANC's General Counsel.

Despite various newspaper reports that this transaction had occurred earlier, there continued to be various legal requirements, including waiting periods before our transaction became official. As such and despite the numerous requests I received to announce this to the community, I wanted to wait until it was official. In fact, we were still reconciling taxes just this week and cleared up all past due taxes on the property on March 31st. Some of these taxes went back as far back as six years. There is also still a major lien on the property which was the subject of the previously scheduled auction that ANC now owns and plans to clear off in the next several weeks.



Janene Aul, ANC's General Counsel, presents a check for almost half a million dollars to Gary Briggs, Moore County Tax Administrator, that clears up all current and past due taxes for all WLCCC properties in the Woodlake Community (3/31/2021).

This success for the community has been the result of more than two years of work by myself and various members of our community to obtain clear title to the Woodlake Property. As most know this was a complex mess of almost two hundred million dollars in liens, various ownership transfers and interest, a bankruptcy, and years of neglect resulting in a lakeside community with no lake, unpaid taxes and numerous judgments. For more than a decade there has been virtually no new development or improvements within the Woodlake community.

When I was asked by members of the community to help gain ownership or control of Woodlake, the Woodlake Property was in the process of a judgment auction by the Sheriff's Department of Moore County. If this would have occurred, Woodlake would have most likely been sold in parcels and broken apart. This would have provided no clear path of ever restoring the lake or any other parts of the community to include the club facilities. Even the main entrance was in jeopardy. I agreed to help on the condition that the leadership of the RWLC and POA would assist me in this process. These individuals are too numerous to list, and if there is any credit or accolades to be given for this accomplishment it would have to be given to them, and the other community members that assisted me in putting together information, showed up in Court, and even on their own began opening various amenities for the community. This included the pool and the Lake Surf Grill. We were also able to relocate the POA offices back on Woodlake property. They had been removed from Woodlake property by the previous ownership.

The amenities that were added for the community were only possible as the first action that I took was to negotiate with Ms. Julie Watson a 20 year lease on the club properties. This allowed us to authorize these actions. It also prevented these areas from being broken up in a sale, and prevented alternate development, or even the selling of the wetlands of the lake for development credits. My thanks to Ms. Julie Watson for her help and cooperation. I understand Ms. Watson was the face of the

previous ownership and thus strong feelings in the community based on promises and actions she was directed to take. She felt she was “thrown under the bus” and became the scapegoat. Ms. Watson wanted to rectify this and was able to provide us with information that was invaluable in accomplishing our objectives.

I found out early on and what was already known to many members of the community, that until the issues of ownership, unpaid taxes, and multi-million dollars in liens were cleared up it would be impossible to get any government assistance or cooperation to get water back into the lake. Also, as a member of the class action lawsuit, (while successful in obtaining a 162 million dollar judgment from the Courts) we would have had to come up with at least 5 million dollars to satisfy liens and judgments that were ahead of us in the Court filings. Additionally, a class judgment auction would have been a Sheriff’s auction and not a foreclosure and would have required the parcels to be sold off in tax parcels and there were no guarantees that we could have achieved our objectives with a Court ordered sale using the class action judgment.

After my first review of the situation two years ago, there were at least a dozen different paths that could have been taken to attempt to get clear title of the entire community in one entity free and clear of all liens and encumbrances. As we all discovered, this was a first step to getting any assistance in order to re-establish the dam and water in the lake. In going forward we must involve all the downstream parties that need and can benefit from the restoration of the dam at Woodlake. The dam restoration would provide substantial flood mitigation to not only Fort Bragg and Cumberland County, but all communities and individuals affected by flooding by the Cape Fear River from Fayetteville to Wilmington. We want to engage a marketing firm to help us capture and summarize these benefits for myself and the RWLC for our anticipated meetings with our elected leaders.

Regardless of the work ahead, it is nice to announce that we have made what seemed like an impossible accomplishment two years ago. This is due to a lot of hard work by many members of our community, over a dozen attorneys from four different law firms, and millions of dollars, but it is nice to announce it has finally been accomplished. This now enables the community to chart a course forward. It gives us the opportunity to proceed forward with restoring the lake, resuming development, and adding golf and club facilities to the community. In fact, there are almost just as many paths that can be taken to accomplish these objectives as there were with the ownership issues judgments and liens on the property. The good news is unlike the ownership and encumbrances on the property issues, it does not appear we will have to fight (at least hopefully) any opposing forces. Restoring the lake in our community should be a common goal of all residents, and not only our local and state governments, but the communities downstream and even the federal government as well. While I am not saying any of this will be easy, we are now in a position to pursue unencumbered any and all avenues of restoring our lake.

During this process, many of our government representatives have been supportive. These include Congressman Richard Hudson, State Representative Jamie Boles, State Senator Tom McInnis, State Representative Billy Richardson, and House Speaker Tim Moore. However with foreign ownership, bankruptcies, six years of unpaid taxes, and encumbers in the millions, there was not much they could do. As mentioned in the local newspaper editorial, our local representatives did establish a special tax district for Woodlake that can provide Woodlake property owners the ability to generate revenues that can be used for a new dam and payable as part of our taxes over a 10 or 15 year period. These funds could be pooled and added to any governmental funds or grants. Even federal government funds given to counties for flood mitigation require a 25% matching amount from the County. I am optimistic however that there are so many benefits to so many and so much to be gained by a dam at Woodlake, not only by Fort Bragg but several local governments, that we can

minimize any special tax district monies needed. This would have to be approved by two thirds (2/3) of the lot owners and we hope the community would be supportive of this, if needed.

It is ANC's intention to survey and create separate deeds for the dam and lakebed that divides it into parcels so that ANC can provide ownership directly to the County, the community, or the State depending on which program(s) and the funding requirements. One of the first things on my list is ordering an engineering survey for the dredging of the lake with possible peninsulas that will provide us a deeper lake if whatever encampment we end up using has a MSL lower than the prior dam and avoid "bare spots" and a shallow lake.

Part of my agreement with the RWLC and our POA was to remove the "owner" control over the community through Board seats and if successful (which we have been), let the RWLC take the lead on getting water back into the lake and provide the committee with a lien free lake and dam parcels to transfer if needed to the County, State or the community, and give the POA more operational control over the community in exchange for separating the property under development (including commercial improved zoned areas) from POA assessments until it was developed and sold. This arrangement long term generates substantial more revenues to the POA, along with control of the community and its maintenance, improvements and operations. ANC plans on being a property owner that contracts with developers and when needed a management company to operate the club operations (properties zoned commercial) and be a partner with our POA, not an owner of the community seeking control over governance of lot owners. The business operations of Woodlake and related properties owned by ANC are not governed by the ARC/POA as are the developed properties within the community or lots not owned by the selected developer that will have broad form approval subject to their contractual requirements.

The main takeaway in this is that the change of ownership has no effect on your property, your deed or your ownership rights. This transaction was for the private property which made up the golf courses, the club facilities, and development lots owned over the last forty years by various German interests.

There have been various conversations about changing the name of Woodlake back to Lake Surf; however ANC has decided to wait until after we interview and select the developer(s) and develop a master plan for the community. We feel rebranding would be more appropriate after these actions. We will also encourage the developer to survey the community and coordinate these changes with our marketing firms. We have a lot of things on our to do list (all positive) and we look forward to continue to work with RWLC as the lead group in pursuing the best avenue to get water back in our lake and work with your governing board (the POA) when handling most all items that affect the day-to-day operations of the community. Once we establish our plans and select the developer(s) we will either select a management company or put our own Manager on site to work directly with your community leadership and any developers or contractors to see that the implementation is carried out in accordance with these plans. We will also be announcing these various initiatives as our plans are developed to the community from time-to-time to keep you updated. Also, from time-to-time we will ask for your feedback and your preferences as we plan the club and the club facilities.

As noted in my previous letter to the community, I broke out the different areas of responsibility and segments within our community, and unlike the previous situation with the community we will not be charging members fees or club dues until the amenities are in place. Our first priority is to get water back in the lake as any plan to develop the golf course is contingent upon irrigation, and I have been told just to revitalize a golf course is a 12-18 month process. Moreover, we can only start this after we have irrigation (i.e., a lake).

So, while restoring the lake, club amenities (like the golf course) make take time, rest assured there will be no cost or charges to residents during this time. Woodlake (or whatever name may be chosen) will continue to operate as a gated community with various benefits and amenities, like the pool and grill and other community activities as may be approved by our POA.

As conveyed to me in emails and messages by many Woodlake residents, it is a time to celebrate, but as I conveyed to them it is also a time to get to work and plot out our future now that the major obstacles have been removed. We appreciate the support of all the community members as well as your patience as these things have and will take time and will not happen overnight. Not only do we have to coordinate the restoring of the lake with several government entities, there is also bureaucratic permitting and a host of other issues that traditionally take time.

For ANC this is an investment in real estate and a development opportunity. We want a property that both we and the community can be proud of. ANC will leave the governance of your community up to your POA and proceed with development in coordination with the RWLC and the POA. If you would like to assist and work to improve our community we would recommend becoming part of one, or both, of these organizations or volunteer with some of the community groups before wasting everyone's time by blogging or criticizing on social media. I can only hope that such unproductive activities are a thing of the past. As we look forward, I believe the community is united in our vision for the future and again I encourage everyone to become part of your community governance and volunteer organizations. I can assure everyone that we will be working directly with them as we proceed forward.

So please join me (as I was quoted in the newspaper) in being excited about the future of our community as we continue to move forward and make progress until we accomplish the goals and objectives we have set and will continue to set for our community.