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January 9, 2006

VIA FACSIMILE NO. (404) 739-8870,
CERTIFIED MAIL NO. 7001 2510 0007 1179 5442
RETURN RECEIPT REQUESTED
AND U. S. MAIL

Paul Jay Pontrelli, Esq.
Stites & Harbison, PLLC
303 Peachtree Street, N.E.
2800 SunTrust Plaza
Atlanta, Georgia 30339

Re: High Gables Homeowners Association, Inc. v. Larry C. Oldham,
Civil Action File No. 05-CV-2005, Superior Court of Forsyth
County, Georgia

Dear Mr. Pontrelli:

I noticed that you let my January 6, 2006 deadline come and go without responding to me, and I find same unfortunate. Please be aware that I updated my web page over the weekend and am preparing to take this matter to the next level.

I am not sure what the Board was trying to accomplish with the December 30, 2005 counterproposal you sent to me. You and the Board had to know that the terms regarding paying your firm's attorney's fees and silencing me would never be acceptable to me, and all I could conclude from your counterproposal was that the HOA Board has no real good faith desire to settle this matter. It was the Board, not me, who chose to escalate the dispute by filing suit against me, and it is the Board that has incurred unreasonable and unnecessary attorney's fees to date in its handling of this matter.

I recognize the desire for the HOA Board to save face and understand that while it hopefully has recognized it made a mistake in its dealings with me, it does not want to appear weak to the members of the HOA. I think we all can agree that this dispute never should have escalated to the point it has. I also think we can agree that the protective covenants and/or articles of incorporation and bylaws of the HOA need to be amended to insure that nothing other than uses of property that are truly detrimental to the neighborhood and our property values are handled through fines and/or litigation and that the ACC gets to approve only those things that really need its approval. Finally, it is essential for there to be some notice and a right to be heard

by the HOA Board before the HOA ever pursues litigation against another family living in this neighborhood

I can only assume that the HOA Board is fully aware of all of the relevant issues involved in this litigation and the relative strengths and weaknesses of our respective sides. As an attorney, I am always concerned about how communications to the opposing party are filtered by counsel, and I request (as I did in my December 13, 2005 letter to you), that you provide me with evidence that all members of the HOA Board received a copy of this letter. If the HOA Board does not accept my terms, I can only assume that each member has made a fully informed decision, and it would at least be nice for me and our fellow HOA members to know what logic and reasoning underlies that decision.

I have invested a significant amount of time to date in defending myself through correspondence, pleadings and the web page, and I have been able to say everything that I wanted to say. Even if I have been defamed and damaged by the HOA Board or other members of the HOA, I am willing to forego any claims I may have because all I wanted to make sure of is that the HOA members hear my side of the story from me. While I must admit that I enjoy having a soapbox regarding issues like this that are important to me, I have a life that is quite hectic and full and do not care to continue fighting this fight unless the HOA leaves me with no other choice. While I will never allow the HOA to silence me, I would not care if I never made another entry on my High Gables web page other than to inform everyone that this matter has been resolved to mine and the HOA's mutual satisfaction.

Please understand that had the HOA Board made a good faith counterproposal with reasonable terms that was at least possible for all of us to have agreed upon, I would not have posted it to the web page along with my counterproposal. Likewise, no one needs to know about this particular letter if we are able to resolve this matter on the terms of my January 3, 2006 letter to you. I have no desire to gloat if I "win" by bringing this matter to a conclusion without the waste of further time and resources. In reality, this is something that neither side really will ever win, and the divisiveness that this matter may create in High Gables before all is said and done if we do not resolve it amicably might forever change the atmosphere of the neighborhood.

As the Board should know by now, I intend to use everything at my disposal to bring this matter to a successful conclusion. I am also prepared to take my lumps if I lose, although I find a catastrophic loss by me (i.e., one other than me having to pay fines of \$2,600.00 or less) to be unimaginable. From what I have heard from some neighbors and other sources, the current President, Bob Clark, may be the most impassioned proponent of pursuing this litigation against me, although I cannot know same for certain. I also understand that Mr. Clark has plans to move from the neighborhood, and I would ask those HOA Board members who are following his lead

if all of this is worth it? I recognize the possibility that the HOA Board is firmly united and staunch in its belief that the only way justice can be done is to attempt to punish my perceived transgressions through the continuation of this litigation, and if that is what the HOA Board decides after full consideration of this matter, I will respect that decision.

I want this to end for obvious reasons - all of us have better things to do with our time. To the extent that the past and present Board believes that I have gotten out-of-line, I have been "punished" for same by having to spend numerous hours of my valuable time defending myself. I am sure you have explained the meaning of *res ipsa loquitur*—"the thing speaks for itself"—to the HOA Board members and would ask them simply to look at what we have done on our property to date objectively and trust that in the spring, everything will be completed in an appropriate manner. A dismissal of the Complaint without prejudice allows the HOA to pursue claims against us if we do not finish our landscaping in a satisfactory manner, and that should be good enough.

I may not ever care for some of the HOA Board members because of the way they have handled this matter, and I recognize that they may never care for me. I now know the identities of some more of them than I knew before and have been told by my wife and others that some of the people I did not know are actually quite nice—which begs the question of how things got this out of hand? I am not trying to insult the Board members, but I can only assume that they did not act on full information about this situation and that they were caught up in a sort of mob mentality whereby they felt pressured by new and old Board members and complaining neighbors to pursue an aggressive course of action against me.

Too often in today's society, folks find themselves in uncomfortable situations with no perceived way out, much like what we all are now facing. What I am offering to the HOA Board members is a reasonable way out for all of us, and I hope it will seize the opportunity. As I have said before, I do not hold grudges, and I firmly believe that at least one sit-down session with the current and/or past HOA Board to air our grievances would be cathartic for all involved. We all must accept that we have made some mistakes in our handling of this matter and have allowed our pride to get in the way to a certain extent, but there is no reason we cannot put this matter behind us.

I have better things to do than become a community activist or a thorn in the side of this HOA's boards, and it is unlikely that I will pursue any substantial action against it or its current members if we resolve this matter to my satisfaction. I am hopeful that the Board will take some of my suggestions to heart, but I cannot say with certainty that I will ever attend a meeting of the HOA or its Board so long as I do not have any outstanding issues with it. Like most of my

neighbors, I prefer to stay below the radar and be left alone, and my primary objective is to see this matter concluded in an amicable and reasonable fashion.

For ease of review, I am reiterating the terms of my January 3, 2006 letter to you and including some additional terms. This will be my final offer to the HOA to resolve this matter without taking it all the way to a judgment, and it is non-negotiable:

1. We dismiss our claims against each other, without prejudice. We both bear our own expenses of litigation and attorney's fees.
2. The HOA waives its claim against me for all fines that have allegedly accrued.
3. I will reinstate my prior arrangements with Peachtree Post to install my mailbox. Once the new mailbox is installed, I will retire the catfish mailbox I am currently using.
4. I will install such additional landscaping as I intend to install on or before May 28, 2006. The HOA can decide after that date whether it wants to sue me again for any alleged deficiencies.
5. Heritage Management sends a letter to the HOA members stating the following: "In order to avoid additional litigation expenses and without admitting any liability to each other, the High Gables Homeowners Association and Larry Oldham have resolved the litigation between them on a mutually acceptable basis and have dismissed their claims against each other."
6. I will revise the <High Gables> web page to say "In order to avoid additional litigation expenses and without admitting any liability to each other, the High Gables Homeowners Association and Larry Oldham have resolved the litigation between them on a mutually acceptable basis and have dismissed their claims against each other. While this web page will continue to exist in its present format, Mr. Oldham has agreed to make no further revisions to it other than posting a file-stamped copy of the Mutual Dismissal Without Prejudice filed by the parties to the <Pleadings> page." I will move the current main page text to a <January 7 Posting> linked page. I agree to make no further postings of any information on the web pages except what exists as of the date of this letter other than as specified in the preceding sentences; provided, however, that I will continue to update the <What the Neighbors Say> and <Opinions and Commentaries> links with any new comments I might receive in the full.

7. If you, the Board or any of its members want to post your own opinions and commentaries regarding this matter. I agree to do so in unedited form and will create a special link for same. As you know, this agreement represents a continuation of an open offer to post information in support or opposition which is submitted to me by anyone who wants to make a contribution.

8. If we settle this matter on the terms I propose herein, I agree to keep this letter and its contents confidential and will not disseminate it in any way. I will also keep the contents of any reply letter you send to me confidential. If the HOA does not accept the offer set forth herein, however, I am going to post this letter and any response you send me on the web page and I will also provide a copy of this letter to all of the HOA members. I will thereafter pursue my claims zealously.

This offer remains open for acceptance by the HOA until 5:00 p.m. on January 20, 2006, at which time it will stand withdrawn without any further action by me. I will deem the HOA's failure to provide me with anything other than an unconditional written acceptance of this offer on the terms set forth herein to be an expression of its intent to escalate this matter beyond the point of no return and I will proceed accordingly.

Very truly yours,



Larry C. Oldham

LCO/bms