

## ***The Oldham Family***

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April 7, 2006

High Gables Resident  
High Gables Neighborhood  
Cumming, Georgia 30041

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

As you should be aware by now, I am the Defendant in the above-referenced Action. I last contacted you on December 13, 2005, at which time I had made what I believed to be a fair and reasonable settlement proposal to the High Gables HOA Board which I hoped it would accept. Unfortunately, the Board did not accept my proposal and we have not reached any other agreement to resolve this matter. Despite my repeated requests and offers, the HOA Board has refused to meet with me to discuss this matter and the litigation continues. As I indicated to you in my December 13 letter, I created a <High Gables v. Oldham> page on my firm website, [www.lcopc.com](http://www.lcopc.com), where you can inform yourself about the latest developments in this Action if you desire. Please take a moment to review the web page and go to the trouble of finding out what is happening to one of your neighbors who believes himself to be a well-thought-of and contributing member to the Forsyth County community. I apologize for this form letter, but as you can imagine, a mass mailing to 142 households in the neighborhood poses significant logistical problems.

While I am still waiting on responses to certain discovery requests I sent the Board that are due by the middle of next week, I have received certain corporate records of the HOA in response to a demand I made in January and I have also received responses to my First Requests for Admissions. Since the Board was not willing to meet with me or call a meeting of the neighborhood to address the wisdom of continuing its present course of conduct given the facts and circumstances, I was hopeful that the HOA's bylaws would allow the calling of a special meeting where the matter could be put before the HOA's members for discussion and consideration. You should be aware that the Georgia Nonprofit Corporations Code provides certain default provisions regarding meetings and other matter in situations that are not addressed by a corporation's governing documents.

In reviewing the HOA's bylaws, I learned that unlike the 5% requirement under Georgia law, this HOA requires the approval of 51% of its members to call a special meeting. This essentially negates the ability of an aggrieved member of the HOA like myself or a minority of the HOA's members to bring issues of concern before the HOA without the cooperation of its board of directors or president, both of whom have the authority to call such a meeting. What I also discovered in reviewing the bylaws, however, is that unlike the 10% quorum requirement specified by Georgia law, our HOA requires the attendance of 51% of its members at a meeting of the members in order to constitute a quorum authorizing it to conduct any sort of business, including electing a board of directors and officers. While Georgia's default requirements are much more realistic and reasonable for a homeowners association, the HOA is nevertheless subject to and bound by the documents that govern its existence and actions. Copies of the HOA's documents as provided to me by the HOA's attorneys pursuant to my demand for inspection of its records are posted at the <High Gables v. Oldham> <Documents> web page.

As indicated, our HOA's bylaws require the attendance of a quorum at meetings of its members and define that quorum as 51% of the members, or 73 Lot owners. The current Board was elected at an annual meeting attended by 20 members of the HOA, and last year's Board was elected at a meeting attended by 26 members. The HOA may act only in accordance with its governing documents, and those documents do not allow any business to be conducted by the members of the HOA at a meeting where less than a quorum is present. Accordingly, the current Board has no authority to act on behalf of the HOA or its members, and I dispute its authority to take or continue any action against me. I have notified the HOA and those who purport to be the members of the Board about this deficiency and they have undertaken no action to attempt to correct it. Unless I receive the cooperation of you and my other neighbors as requested herein, I will have no choice but to file a motion in the Action in the near future to enjoin any further action against me by the Board.

As a man who makes his living practicing law, I understand all too well the costs and pitfalls of litigation, and I did not choose the Forsyth County Superior Court as the forum to resolve this dispute. Throughout this process, I have tried to be reasonable and to minimize the costs for all involved. I filed some legitimate counterclaims against the HOA in response to its Complaint against me, and my doing so

has apparently led to the HOA's insurance carrier covering all of the costs of this Action for the HOA (although I am not sure why). To date, I have spent more than \$10,000.00 defending myself in the Superior Court of Forsyth County from actions by the HOA that are essentially a result of the determination by some of my neighbors that I did not complete the work on my driveway fast enough. I have explained in detail the reasons for my delay in the pleadings I have filed and on my web pages and for the life of me cannot understand why the suit was filed or why it has continued. To the extent the HOA's goal was to punish me and my family for our alleged transgressions, we have felt the pain.

I understand that many of you assumed that this foolishness had ended and will be surprised to receive this letter. I also understand that many of you may not think this matter or the issues raised in it affects you and would prefer to stay on the sideline while the "powers that be" run amok. Unfortunately, living in a civilized society carries with it some responsibility to your fellow man, and I am requesting that you empower me to end this waste of energy and resources without having to expend another \$10,000.00 in what continues to be a nonsensical dispute with a purported governing body that is not even willing to sit down and discuss the issues with me.

I doubt that any of you would voluntarily write a \$100.00 special assessment check to the HOA Board if asked to do so for the privilege of pursuing this litigation against me under the attendant facts and circumstances, but that is essentially what has happened to date. While I have not yet received the HOA's records regarding its attorney's fees to date, I can only assume based on its estimation of fees at the end of December and the work that both sides have had to undertake since then that those fees are close to \$15,000.00, or over \$100.00 per household, including mine. In my mind, the fact that insurance might cover those unnecessary expenditures by the HOA does nothing to justify the insanity, and I trust that you feel the same. At this point, I am looking for the most cost-effective way to let you speak out on this issue and to allow me to end the madness. If you feel that what is happening to my family is appropriate, then continue to do nothing. Otherwise, please join me by voicing your concerns to the Board members or give me your proxy right to allow me to do the right thing and end this fiasco.

There are problems with this neighborhood's protective covenants and governing documents that need to be addressed, and I have raised them in the Action and have expressed my willingness to help. My family plans to live in High Gables for at least the next 15 years, and no reasonable person in this neighborhood should ever again find himself in our situation without a right to be heard before being forced into costly litigation. Moreover, no one here should have to worry that they will be sued for violations of ill-conceived covenants that make no sense in the real world, like prohibiting someone from running a home-based office when same is conducted within the confines of one's residence and there is no materially adverse impact on the neighbors. These problems need to be addressed through appropriate revisions to the existing Declarations and HOA documents, and it is my goal to make sure that same happens, no matter what the outcome of the ill-conceived Action against me.

I have enclosed for your review and consideration a proxy which gives me the right to exercise your vote in the matters pertaining to the HOA for the purposes specified therein. I have also included on the reverse side of the proxy an "All you need to know" synopsis of the events to date which I would appreciate you taking the time to read and consider. I encourage you to review the proxy and to give me whatever authority you deem appropriate to act on your behalf in order to bring this Action against me to an end and to propose amendments to the covenants and HOA's corporate documents that will fix the existing problems. I hope that you will seriously consider giving me this right so I can stop wasting my time and money in vindicating myself in the Superior Court of Forsyth County. If you are going to do so, please return the proxy to me in the enclosed self-addressed, stamped envelope by April 14, 2006. If I do not receive anything from you, I will understand that to mean that your family is not interested in getting involved.

Thank you for your consideration of this matter.

Very truly yours,



Larry C. Oldham

Encl.