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June 23, 2006

VIA FACSIMILE at 770 888-4988

Larry Oldham, Esq.
Oldham & Reece, LLP
416 Pirkle Ferry Rd.
Suite K-500
Cumming, GA 30040

Re: **High Gables Homeowners Assoc., Inc., v. Larry C. Oldham**

Dear Larry:

I am in receipt of your letter dated June 22, 2006 in the above-referenced case. I apologize for the delay in getting back with you.

With respect to the certified copy of the written consent executed by the secretary of the HOA, it is my understanding that this was forwarded to you on June 9, 2006 by Heritage Management, along with a tally of the votes. The copy of the certification provided to you had two words redlined and you did not feel it satisfactory. Accordingly, I have enclosed a clean copy of the certification executed by Ms. Ebert. I will forward to you the original certification by the end of next week. With respect to your request to provide you with the actual votes returned by the members of the HOA, the HOA is happy to make the actual votes available for your review. As discussed, you may either come to the Heritage Management office to review the vote count or I am willing to bring the votes to your office for your review. Despite Ms. Ebert's "certification of the Resolutions adopted which may be relied upon for all purposes by the Board, its officers, yourself, and counsel," the addenda may be reviewed at your convenience as referenced above.

With respect to the execution of the settlement proposal, I have enclosed a copy of the proposal signed by Robert Clark, President of the HOA. I will forward to you the original proposal by the end of next week. It was never agreed upon that the HOA Board members would execute the settlement proposal in their individual capacities. The HOA does not understand why you are insisting that the Board members sign the settlement proposal in their

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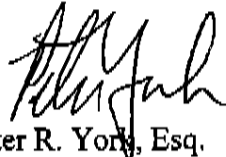
individual capacities, particularly in light of your threats of future litigation. If there is any valid reason for the Board members to sign, please let me know.

As the HOA has satisfied the condition set forth in Paragraph Three (3) of the Settlement Agreement and provided evidence of the satisfaction of same, we look forward to the resolving of this action and finalizing the settlement. Lastly, I have enclosed a Mutual Release to be signed by the parties after everything has been finalized.

Thank you for your cooperation in this matter. I am certainly glad that we were able to resolve this dispute.

Yours very truly

HAWKINS & PARNELL, LLP



Peter R. York, Esq.

PRY/bjt

cc: Jay Pontrelli, Esq.

High Gables HOA Board of Directors

FROM

(WED) JUN 21 2008 8:33/ET. #:01/No. 7500000212 P 5

SCHEDULE 1

**UNANIMOUS WRITTEN CONSENT
OF THE MEMBERS
OF HIGH GABLES HOMEOWNERS ASSOCIATION, INC.
IN LIEU OF A MEETING**

The undersigned, being the requisite number of members of High Gables Homeowners Association, Inc., a Georgia non-profit corporation (the "Company"), who are required to transact business on behalf of the Company hereby take the following action by unanimous consent without a meeting pursuant to the provisions of the Company's articles of incorporation and bylaws and the Georgia Nonprofit Business Corporations Code:

WHEREAS, the authority of the Company's Board of Directors has been challenged as a result of such Board having been elected at meeting of the members where less than the required quorum of members was present; and

WHEREAS, the Company disputes the challenge to the authority of the Company's Board of Directors but has agreed to present this question to the Company's members out of an abundance of caution; and

WHEREAS, the Company has requested that the Company's members vote on certain matters presented to them in this Consent without the necessity of having a meeting; and

WHEREAS, by signing in the space provided below and by further initialing "Yes" or "No" in response to the questions set forth herein regarding certain matters that the Company wishes to be voted upon by its members, such members are exercising their respective rights to be heard on the matters specified herein, with such votes being incorporated into this Unanimous Consent by this reference; it is hereby

RESOLVED, that should the requisite number of Company's members vote in the affirmative as evidenced by their signatures hereto, the current Board of Directors and officers of the Company are authorized to continue to serve in the capacities in which they have been serving on behalf of the Company until the next annual meeting of the members until such time as their successors have been elected or appointed and have qualified or until their death, resignation, incapacity to serve or removal; and it is further

RESOLVED, that the current Board of Directors and officers of the Company are authorized and directed by the Company, acting in its name, on its behalf, and under its seal, to carry out and perform the duties and

FROM

<WED> JUN 21 2006 8:34/ST. 8:31/No. 7500000212 P *

responsibilities specified in the articles of incorporation and bylaws of the Company; and it is further

RESOLVED, that should the requisite number of Company's members vote in the affirmative as evidenced by their signatures hereto for the other matters specified hereinbelow, the Board of Directors and officers of the Company are authorized to carry out the members' wishes regarding such other matters; and it is further

RESOLVED, that the execution and delivery of any writings or the taking of any other actions which pertain to the subject matter of the foregoing Resolutions by the Board of Directors and officers of the Company are hereby ratified and approved by the Company as its own act and deed; and it is finally

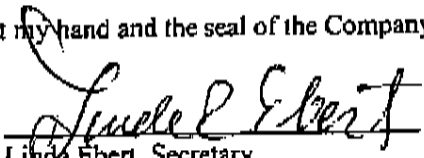
RESOLVED, that this Consent may be executed in one or more counterparts, each of which shall be an original and all of which together shall be one and the same document.

So resolved effective as of the date certified hereinbelow by the Secretary of the Company.

CERTIFICATION BY SECRETARY

I, Linda Ebert, Secretary of the Company, hereby certify that the foregoing represents true and correct text of Resolutions adopted by the Company by unanimous consent without a meeting effective as of the date set forth below. This Certification may be relied upon for all purposes by the Board of Directors and officers of the Company, Larry C. Oldham, the members of the Company and legal counsel engaged by the parties in that certain Civil Action styled High Gables Homeowners Association, Inc. v. Larry C. Oldham, Civil Action File No. 05-CV-2005, Superior Court of Forsyth County, Georgia.

IN WITNESS WHEREOF, I have set my hand and the seal of the Company hereto as of June 16, 2006.


Linda Ebert, Secretary

[Corporate Seal]



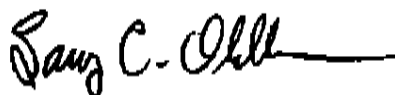


FROM
06/23/2006 18:10 FAX(WED) JUN 21 2006 18:44/ST. 18:43/No. 7500000218 P 2
00Z/00Z

Peter R. York, Esq.
May 19, 2006
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If the foregoing terms are acceptable, the HOA and the individual HOA Board members should acknowledge their agreement to the terms of this letter agreement by signing in the spaces provided below. My signature in the space provided below evidences my agreement to be bound by the terms and conditions set forth herein.

Very truly yours,

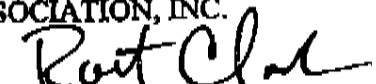


Larry C. Oldham

cc: P. Jay Pontrelli, Esq. (via e-mail) jpontrelli@stites.com

Accepted and agreed as of May 19, 2006.

HIGH GABLES HOMEOWNERS
ASSOCIATION, INC.

By: 
Robert Clark, acting President

Robert Clark, individually

Cheri Curtis, individually

Linda Ebert, individually

Mark Joiner, individually

Mark Coussan, individually

John Elliott, individually

Lisa Ann McDougald, individually

STATE OF GEORGIA
COUNTY OF _____

MUTUAL RELEASE

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, HIGH GABLES HOMEOWNERS ASSOCIATION, INC., for and in consideration of the sum of _____ and 00/100 Dollars (\$ _____), and other good and valuable considerations, the receipt and sufficiency of which are hereby conclusively acknowledged, for itself, its respective owners, directors, officers, shareholders, employees, representatives, attorneys, agents, successors, assigns, heirs, executors, and administrators, hereby releases, acquits, and forever discharges LARRY C. OLDHAM, his heirs, successors, and assigns, from any and all claims, actions, causes of action, demands, costs, losses, expenses or fees (including attorneys' fees), asserted, or which could have been asserted, against LARRY C. OLDHAM in the civil action styled High Gables Homeowners Association, Inc. v. Oldham, Superior Court of Forsyth County, Georgia, Civil Action File No. 05-CV-2005.

That the undersigned, LARRY C. OLDHAM, for and in consideration of the sum of _____ and 00/100 Dollars (\$ _____), and other good and valuable considerations, the receipt and sufficiency of which are hereby conclusively acknowledged, for himself, and his heirs, successors, and assigns, hereby releases, acquits, and forever discharges HIGH GABLES HOMEOWNERS ASSOCIATION, INC., its respective owners, directors, officers, shareholders, employees, representatives, attorneys, agents, successors, assigns, heirs, executors, and administrators, from any and all claims, actions, causes of action, demands, costs, losses, expenses or fees (including attorneys' fees), asserted, or which could have been asserted, against HIGH GABLES HOMEOWNERS ASSOCIATION, INC. in the civil action styled High Gables Homeowners Association, Inc. v. Oldham, Superior Court of Forsyth County, Georgia, Civil Action File No. 05-CV-2005.

THIS RELEASE IS IN FULL AND FINAL SETTLEMENT OF ALL CLAIMS AS SET FORTH ABOVE, ALL OF WHICH CLAIMS ARE SUBJECT TO A DISPUTE BETWEEN THE PARTIES. THIS RELEASE IS IN SETTLEMENT OF SUCH DISPUTE AND IS NOT TO BE CONSTRUED AS AN ADMISSION OF LIABILITY FOR ANY SUCH CLAIMS.

This _____ day of June 2006.

**HIGH GABLES HOMEOWNERS
ASSOCIATION, INC.**

LARRY C. OLDHAM

Name: _____
Title: _____