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June 26, 2006

**VIA INTERNET E-MAIL TO [pyork@hplegal.com](mailto:pyork@hplegal.com)**

Peter R. York, Esq.  
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4000 SunTrust Plaza  
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Re: High Gables Homeowners Association, Inc. v. Larry C. Oldham,  
Civil Action File No. 05-CV-2005, Superior Court of Forsyth  
County, Georgia

Dear Peter:

Thank you for your most recent letter on behalf of the High Gables HOA. I will waste no more time with you explaining why I want to inspect the Addenda to the Written Consent. Suffice it to say that I am entitled to review and copy them as a litigant in the Action and as a member of the HOA, and by separate letter I am renewing my request for inspection of the records of the HOA, including the Addenda that the HOA has been reluctant to provide to me. I would rather have copies of same that I can review on my own time rather than having to meet with you, but under any circumstances, I will be retaining copies of the Addenda and demand a proper certification of the Written Consent from Linda Ebert.

I do not understand what is so difficult in providing me with a proper certification of the results and copies of the Addenda. On two occasions now I have sent the proper form of Certification to be executed by Ms. Ebert (including most recently as an attachment to my June 13, 2006 letter to you), and she is still signing the wrong one (note that the one you provided to me as an enclosure to your most recent letter is the Schedule 1 to an earlier draft of the May 19, 2006 settlement proposal and still refers to the consent as "unanimous" which certainly was not the case). I refer you to the proper certification attached to the e-mail I sent to you on June 13, 2006 and am hopeful that the HOA can finally get it right.

Based upon the mathematical error in the Addenda count that appears on the face of the results provided by Heritage Management (you will recall that I pointed this out to you in our conversation a little over a week ago and in my June 22, 2006 letter to you), it appears likely that the HOA still does not have a valid Board (Heritage's numbers do not quite add up, indicating 77 returned, 1 invalid, 2 electing not to vote, and only 70 who actually voted, leaving 4 unaccounted for). Written consents that were returned by members but which took no action whatsoever by indicating a choice of Paragraphs 1 or 2 cannot constitute attendance at a meeting for purposes of determining a quorum (unless, of course, the members still signed at the bottom of the Consent, in which case I will accept same as their "attendance" at the meeting conducted by written consent), and as best I can tell from the current information I have and the way Heritage

Management certified the results. the HOA is at least one member short of a quorum when determining if the HOA members actually took any action by written consent. Because of the apparent discrepancy in the tabulation of the results, if the actual Addenda show something different than what Heritage Management and Ms. Ebert have certified to me, both of them will need to provide me with Affidavits explaining the difference and I reserve the right, of course, to conduct my own independent investigation of the facts and circumstances surrounding the execution and delivery of the Addenda.

I do not accept the individual HOA Board members' stated refusal to sign the letter agreement in light of the fact that same was a material term of our agreement to settle this matter on the terms and conditions set forth in the letter agreement. As you know, the individual signatures of the purported Board members who did not have the actual authority to enter into an agreement to settle the matter on behalf of the HOA at the time you and I finalized the letter agreement was something that was included in my April 27, 2006 settlement proposal and has been a consistent theme in our settlement discussions, including our conversations on May 2, 2006 and May 10, 2006 in connection with reaching a mutually acceptable settlement of this matter.

It was important to me that the HOA recognize that it had not been conducting business in a proper fashion and that until it corrected that problem, it could not conduct business as a non-profit corporation, and the individual signatures of the purported members was a recognition of that fact. While you assured me that we had a deal on May 19, 2006, you recently told me that you do not represent the individual members of the purported Board, and as such, you apparently had no authority to bind them to the letter agreement. Their refusal to sign the letter agreement (even though all indications at the time we "settled" this matter indicated that those signatures would be forthcoming) constitutes a repudiation of the agreement and a failure of consideration, and as such, the letter agreement is null and void. Moreover, if the purported members of the HOA Board were not bound by the letter agreement prior to the time we circulated the written consent in accordance with that very letter agreement, the agreement itself failed for lack of mutuality.

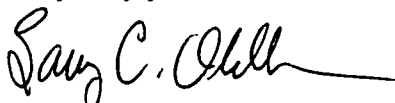
At this point, it is obvious that there was no meeting of the minds regarding all of the material terms of the letter agreement and that, as such, there is no enforceable agreement between me and the HOA to settle the Action. Because the purported Board and its agents have continued to mishandle this matter and have caused me additional unnecessary trouble and expense, I am not sure if I am willing to still resolve this matter on the terms and conditions previously proposed. As far as I am concerned, we have no deal, and if the HOA feels differently, it needs to file a Motion to attempt to enforce the settlement agreement. Under the circumstances, I intend to proceed with the litigation as if I had never proposed any settlement.

The only way for the HOA to avoid me proceeding as specified is to do as I have asked, without any condition or qualification. If (i) I receive my original letter agreement containing the individual signatures of all purported Board members (other than Lisa Ann McDougald); (ii) I receive the original Addenda returned to the HOA by the members (so I can confirm that they have not been altered and can confirm the results myself and make copies of them); and (iii) I am satisfied that the quorum requirement was met by the recent meeting by written consent and that the HOA has a duly authorized Board with the ability to settle with me, then I may reconsider my position that we have no deal and will most likely ratify and affirm the settlement of this matter.

If I do not receive the information I have requested without any condition or qualification, I assure you, Mr. Pontrelli, the HOA and the individual members of the purported HOA Board that I will proceed with the Action as if I had never made my April 27, 2006 settlement proposal and the only way the Action will end is by the entry of a judgment by Judge Bishop, either determining we entered into an enforceable settlement agreement or validating the respective rights and obligations of the parties as determined by a jury of our peers.

The HOA and the individual members of the HOA Board should govern their conduct accordingly.

Very truly yours,



Larry C. Oldham

Encl.  
LCO/bms

cc: P. Jay Pontrelli, Esq. (via e-mail) [jpontrelli@stites.com](mailto:jpontrelli@stites.com)  
Ms. Cheri Curtis  
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Mr. Robert Clark  
Ms. Linda Ebert  
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Ms. Lisa Ann McDougald