

Dear Resident of the Ranches,

We write to let you know that the three sub-associations are refusing to honor the settlement agreement that they, themselves, proposed to us on March 29, 2017, and which we presented to the community at the April 11, 2017 meeting.

We understand that a letter, which was made to look like it was coming from the Master Association by deceptively and illegally using our letterhead, but which was actually written by the sub-associations, was recently posted on Facebook. To put it mildly, the letter falls far short of presenting you with accurate and complete information.

We do not want to put you in a position of trying to figure which side to believe. Accordingly, we write simply to forward to you (1) the settlement terms originally outlined by the sub-associations, and (2) the 15-page document that they presented to us for our signature. By comparing these documents, you can see for yourselves that what they asked us to sign was drastically different from what we had all agreed to and discussed at our community meeting.

To name just one example, you will see that the most fundamental term of our agreement—a full release of all members in exchange for a payment of \$750,000 to \$800,000—was removed. The 15-page document does not provide a general release at all. Nor does it honor the \$800,000 cap. (Those who attended the meeting will remember hearing the sub-association's lawyer repeat over and over again that this is all his clients wanted.) Instead, it requires us to agree to an open-ended number. It also requires the continuation of the Master Association entity and opens the door for more litigation against our members, including the businesses and churches located at the Ranches, for years to come. As a result, it fails to accomplish the primary benefit settlements are meant to provide: final resolution of all outstanding issues.

We are confident that, once you compare the two documents, you will agree with us that what was delivered to us for signature was completely unacceptable. We have made multiple efforts since receiving this document to persuade the sub-associations to honor our original agreement, but they have refused.

Please know that the board is working very hard to protect your interests. To that end, we will be talking with the Court shortly to get some direction on the final issues affecting the association. We will then update you again with a full report.