

January 25, 2010

To the SLOA Board of Directors
135 Fairway Drive
Sequim, WA 98382

This letter is written to the SLOA Board by and on behalf of those homeowners whose signatures are below and numerous others who were not immediately available to add their endorsements and support.

Outlined below for consideration by the SLOA Board are thirteen (13) reasons why the SLOA Board should reject out of hand any and all efforts, proposals or plans, including any and all Requests for Special Meeting of the Homeowners, intended to approve providing financial assistance by SLOA in any form to the SunLand Golf & Country Club ("SLG&CC").

The effort to obtain financial assistance is an unwarranted and unnecessary disruption of this community and we submit that it is the obligation of the SLOA Board to refuse to consider or act upon such effort in any form for each and all of the following reasons:

1. If approved and implemented, the actions called for in the Request of the SLG&CC as presently drafted or any request or proposal for financial assistance for the SLG&CC would violate the vested legal rights of homeowners/property owners who purchased based upon representations and undertakings, upon which they reasonably relied and continue to rely, made by realtors, the CC&Rs, ByLaws and others, including past and present SLOA Boards, that the homeowners and golf course were separate and independent organizations.

2. It is patently unreasonable to expect homeowners/property owners to vote upon the Request as presently drafted and available at the Web Site of SLG&CC as it is not specific in numerous respects, needlessly vague and does not identify with specificity exactly where and how such funds will be spent.
3. The Request as presently drafted uses terms such as “*dues*” and “*contributions*” neither of which is a permissible purpose for which funds can be collected and spent by SLOA whether voluntary or mandatory under the terms of the SunLand CC&Rs.
4. Any request or proposal for financial assistance for the SLG&CC from homeowners/property owners is prohibited by the CC&Rs, not within the permissible scope and purposes for which dues and/or assessments may be used and, if approved as written and presented in the Request as presently drafted, would violate numerous provisions of the CC&Rs.
5. If Request as presently drafted or any request or proposal for financial assistance for the SLG&CC is not rejected by the Board, and is approved and implemented as a mandatory assessment against homeowners/property owners inevitably it will be vigorously and successfully resisted by a substantial number of homeowners/property owners at great and unnecessary expense to SLOA and an obvious waste of SLOA resources for which the members of the SLOA Board would be responsible.

6. The Request as presently drafted attempts to vest unauthorized, unfettered discretionary authority in the SLOA Board to unilaterally set annual assessments without specifically providing for approval by the homeowners/property owners as set forth in the CC&Rs.
7. The Request as presently drafted attempts to vest unauthorized and unwarranted discretionary authority in the SLG&CC Board to intrusively and unilaterally participate in determining annual assessments for SLOA, which intrusion by the SLG&CC Board represents an unwarranted, unauthorized and illegitimate participation in the affairs of SLOA by the SLG&CC.
8. The actual amount of the requested annual financial assistance would depend upon the future "*cash flow*" of the golf course, even though the golf course has failed, refused and neglected to provide to homeowners/property owners copies of complete and detailed financial statements other than a woefully inadequate compilation from which SLG&CC management omitted material details and as to which SLG&CC's accountant in its appended statement specifically cautioned against reliance upon such compilation.
9. Any request or proposal for financial assistance for the SLG&CC from homeowners/property owners is intended to provide support for and subsidy to the recreational and social activities for less than 15% of the SunLand homeowners/property owners, and benefit those members of SLG&CC who are not

homeowners or property owners, while providing no tangible value or measurable benefit to the majority of homeowners/property owners and as a result has become a needlessly contentious and divisive issue within the community as to which the SLOA Board has the obligation to avoid and restore rather than aiding and abetting the efforts of the minority and those that do not reside in SunLand.

10. The Request as presently drafted or any request or proposal for financial assistance for the SLG&CC, if implemented would be to provide financial assistance to a private club in which the vast majority of homeowners/property owners have no financial or other interest and from which they and the SunLand community derive no tangible or measurable benefit and is therefore not authorized by the CC&Rs, and not within the scope of purposes for any dues and/or assessments can be properly levied, imposed and collected from the homeowners/property owners.
11. The SLOA Board by accepting the Request as presently drafted or any request or proposal for financial assistance for the SLG&CC and proceeding with a special meeting and vote would breach its primary fiduciary responsibility to maintain harmony and goodwill within the community by facilitating, aiding and abetting an unwarranted, inappropriate and illegitimate effort by a minority of homeowners and others who reside outside of the SunLand community that has become a contentious and divisive issue within the community without first exploring or considering other available courses of action before the SLOA Board takes or considers any

action on the Request as drafted or any request or proposal for financial assistance for SLG&CC.

12. The majority of the SLOA Board as members of SLG&CC cannot lawfully accept or act upon the Request as presently drafted or any request or proposal for financial assistance for the SLG&CC as they are legally and morally obligated to recuse themselves because of evident conflicts of interest and self dealing as they are also members of the golf club and would benefit both directly and indirectly as well as personally from any financial assistance provided by SLOA to SLG&CC.
13. The Request as presently drafted or any request or proposal for financial assistance for the SLG&CC specifically violates and is in direct contravention to the advice and admonitions rendered to the SLOA Board by The Law Firm of Platt Irwin Taylor by letter dated March 17, 2006 which the SLOA Board members should ignore only at their peril.

We are not insensitive to the financial situation in which SLG&CC apparently finds itself, but do not wish to become part of a temporary or permanent solution to that situation. We are interested in restoring harmony to this community.

We also feel strongly that the solutions to the financial situation in which the SLG&CC finds itself lie within that organization and there is no rational or legitimate basis for the SLOA Board to allow SLG&CC a forum or facility to extract from homeowners/property owners financial

