

To Lockwood Folly POA members:

Since my earlier email was mentioned several times in the posting of 26 members, I feel I should respond to their concerns about the new Community Center.

We can all pick at one item or another and post comments that many people will believe are true. My comments are another point of view.

Yes, I said there are still problems to come in the commercial real estate market. Those are mortgages now in place. What's the issue? What does that have to do with us? What did I mean? Maybe the borrowers won't be able to make the balloon payments. Where's the problem? It is with the financial institutions that hold those loans. That's not us. We aren't in that group and we won't be. Sure we don't know what interest rates will be going forward. The Country Club has a similar loan. During its existence interest rates have gone up and down. Overall they are ahead. The banking industry is scared so they won't make loans at a fixed rate for 15 years. They want to preserve their capital so they have shortened the time horizons of their loans. Mine is not a supporting view of the group's comments.

Yes, our economy is weak but everything you read points to no inflation or *hyperinflation* that the writers mention. Fed Chairman Bernanke and the Federal Reserve have stated inflation is not a worry. The consumer is not spending, he is saving. Our unemployment is close to 10%. Until employment gets down to 6-7% and the consumer starts spending we will not have inflation. Consumers make up 60% of spending. I quote from this posting, "When our President keeps reiterating that citizens must make conservative and responsible spending decisions, and *that recovery is still quite a long way off.*" This building is certainly conservative and the board has done a responsible job.

While the stock market is up considerably since March, one must look closely at the reasons. Companies are reporting lower earnings, but [not] as bad as expected. How are they doing this, by cutting expenses, i.e.: employees? Their revenues are down. The consumer is not spending. The companies have made their cuts but revenue is not growing. This supports the above statements that inflation will not be a factor for some time.

I will say again, this is the best time to do this project. While I agree with a lot of what Dick Pearce says, his comments have to do with the building, not the timing and financing.

My comments about trying to schedule meetings needs to be answered. Yes, there are nights when the club house is not used. Who wants meetings in the night? Most of our residents are in bed by 9 PM. Who wants to conduct a board meeting in a big open area? My response is to ask the people who have the meetings whether or not they like the current situation.

How can they say that our annual dues will inevitably be driven up? Is this a scare tactic? Sure maintenance, taxes, utilities and insurance will go up. Isn't everyone's going up? Will it require a special assessment? A hurricane and new roads might but not this building.

This group is ignoring what the realtors are saying about amenities. It does make a difference. Just read the latest issue of the Lockwood Lines, page 2.

Do you really believe that outside traffic will increase noise, road maintenance etc. more than the current outside golf traffic and construction trucks. It's not the cars that wreck the roads; it's the large construction trucks. The following is a ridiculous statement "*Leaving remnants of their visit behind as they parade around the grounds.*"

Wouldn't it be nice to be able to eat an evening meal at Lockwood instead of driving to Shallotte or Wilmington? Making the board agree not to change the hours of the café would be irresponsible.

The boards are being very member conscious. They are putting a "not to exceed" cost in effect. If at the time of signing the contract exceeds the number then it will be submitted to the membership to vote again. What more can you ask for? Please read Joe Geise's posting of 8/25. He discusses the financing very thoroughly.

Since there seem to be people that don't trust anyone, let's have the ballots counted by an outside accounting firm. Isn't it a shame that the writers and others think the boards aren't honest? As a past LFCC board member for over 6 years I resent that thought. Do you know what fiduciary responsibility is? I do. I worked in a bank trust department for 33 years and that is what you lived by.

My vote has already been cast as a yes.

Hopefully everyone will read the recent edition of Lockwood Lines. Just read all the work and effort that went into this decision. No they can't please everyone but they sure have tried.
Marty Ebbert