

Update on Community Center Project

To All Lockwood Folly POA Members from the POA Board of Directors:

Voting on the LFCCI land transfer proposal ended July 1st with 72.3% of LFCCI members voting for approval. Recall that for the community center project to move forward, LFCCI members had to approve transferring land for the building site to the POA. The next step is for ballots to be issued and POA members to vote on approval and financing for the new community.

Currently, LFCCI is still awaiting final word from BB&T that transferring the land for the community center will not affect its outstanding loan. This approval was expected some time ago. However, due to recent changes in bank lending and approval regulations, BB&T now requires a new appraisal on the golf course to determine if the land transfer will affect its value. The LFCCI Board is expecting to have a final answer by the end of July or early August. However, we do not plan to wait for the final approval before POA balloting begins.

In addition, the POA has committed to provide a "not to exceed" cost that protects members from any unexpectedly high costs above the estimated costs communicated in the LFCCI and POA presentations. If the final contractual cost with Taylor Construction, or the interest rate BB&T charges pushes the project cost beyond the "not to exceed" cost, a new POA member vote on the higher cost must be taken. Although we expect the estimated annual costs provided to POA members will remain accurate, be sure to consider the "not to exceed" cost in your decision. Prior to publishing this "not to exceed" number, the POA wants to meet with Taylor to review all the project cost estimates and understand where the highest cost risks are. There are also a number of excellent design suggestions from members that need to be considered. This meeting will likely take place before July 15th.

Subsequent to the Taylor meeting, the POA will communicate the "not to exceed" cost to members via email, on the POA website, www.lockwoodfollypoa.org, and on the ballot. Ballots are expected to go out by July 15th and be due back by August 15th. In addition to your ballot, you will receive a complete package of information relating to this project to help you make an informed decision. We hope you will carefully consider all the facts and, when ready, CAST YOUR VOTE!