

**Dear Lockwood Folly Lot Owner,**

The POA believes that the letter posted by Mr. Baker as an “Opposing View” demonstrates a fundamental misrepresentation (or misunderstanding) of the Community Center project, and the POA board would like to respond to the key points in Mr. Baker’s argument:

**In the current economy, now is not the time to consider building a new community center**

The community center project has been ongoing for almost 4 years. Last year, prior to the economy’s steep decline in the fall, we contracted with Taylor Construction to investigate feasibility, provide a concept design and costs. Taylor completed this task and delivered preliminary drawings in March. The board was faced with a choice—to stop the process or to move ahead. We decided to move forward because the building offered such an incredible value, less than \$145/square foot, which includes a commercial kitchen, new septic system and parking lot replacement. Since permitting for the building will take 18 months, we felt there was a good chance of recovery before the first member payments in 2011.

**The Community Center is really a golf clubhouse**

There is a pro shop and restaurant in the community center. The building includes these facilities because LFCC is donating a \$700K piece of property (appraised value) for the construction site. The beauty of this arrangement is it allows LFCC to replace its deteriorating pro shop/café by exchanging land for cash, it provides the POA a no-cost piece of property which serves as a loan down payment, and which would otherwise have to be financed with a larger mortgage, it saves money by integrating functions into one building, and it provides a large, imposing centerpiece amenity announcing Lockwood’s upscale, active lifestyle to potential buyers. The LFCC facilities take up 4500 square feet of the building. At \$145 per square foot, their cost is \$653K. LFCC is contributing \$700K to the project. POA members are **NOT** paying for LFCC amenities.

Your property values are irrevocably tied to the Lockwood Folly golf course. It is a difficult financial time for golf courses, and LFCCI is no exception. If our golf course fails financially, you will be the big loser; your property values will plummet. The community center arrangement we are proposing eliminates a large replacement cost liability that threatens the financial viability of LFCC and allows them to pay for their new facilities by converting land for cash. This is truly the most important win-win feature of the entire project.

**Lot owners should not pay the same assessment as homeowners**

It is not difficult to understand why Mr. Baker poses this argument—he owns multiple lots. Clearly, his investment in the community is for profit, not necessarily to become a Lockwood resident. The POA takes a longer term view--we’ll be paying on the community center for 15 years. Our decision on the assessment was based on the assumption that the majority of those purchasing in Lockwood did so with the intention of building homes and moving here within that time frame. For those planning to retire to Lockwood and stay in the community, the community center will be an amenity you will use and enjoy. If you purchased property as an investment to sell, the community center will attract buyers and enhance your property values. How do you measure the value of one benefit versus the other? This is why the POA elected to make the assessment equal for all property owners.

**Your Lockwood Folly Board of Directors**