

Actions

Actions by the LHOA Board of Directors

Since the end of 2008, the LHOA Board researched and voted to move forward with processes necessary for the purchase and management of the facilities currently owned by the Lochmere Swim and Tennis Club. Here are (1) the Board's project plan to acquire the facilities and (2) a summary of the events to date, which have been communicated to some extent via the Clan Lochmere.

LHOA Project Plan for Swim and Tennis Facilities Acquisition

Steps / Activity/Task / Status / Task Owner

- 1 Meet with LSTC and Task force to develop communications plan and web site content / Complete / Joint
- 2 Publish Task Force website in Annual Meeting packet / Complete / LHOC
- 3 Obtain all necessary financial data from LSTC Operations Budget - received audited financials / Complete / LHO
Debt Listing / Complete / LHO
Reserve Study - firm hired to report on both locations / Complete / LHO
- 4 Initial meetings with Wachovia, the debt holder / Complete
- 5 Determine source and interest rate for money for purchase / In process / LHO
- 6 Annual Meeting / Oct. 22 / LHO
- 7 Determine all costs, including reserve and debt service, for Homeowners proposal / Complete / LHO
- 8 Determine Homeowners assessment / In Process / LHO
- 9 Board votes on the pursuit of purchase / Complete / LHO
- 10 Document proposal to homeowners / In Process / LHO
- 11 Hold neighborhood meetings to discuss proposal / May 2010 / LHO
- 12 Set date and procedures for homeowner vote / In process / LHO
- 13 Determine if e-Voting can be used / In process / LHO
- 14 Mail voting packet with ballots/proxies / June 1, 2010 / LHO
- 15 Count votes and close polling / July (earliest) – October (latest) / LHO (Actual duration to be set by Board)
- 16 Announce vote results in Clan Lochmere and on website / LHO
- 17 If positive vote is achieved - Negotiate final deal, including price, with Wachovia / Summer, 2010 / LHO
- 18 If positive vote is achieved - Wachovia acquires property from LSTC / Summer/Fall, 2010 / Wachovia
- 19 If positive vote is achieved - Close real estate transaction with Wachovia / Fall, 2010 / LHO, Wachovia

Summary of Actions to Date

November, 2008

- The Board of Directors was informed by LSTC of financial difficulties and their need for help.

December, 2008

- The Board received a formal request from LSTC for financial aid after the president of the LSTC made a formal presentation to the Board.
- Legal counsel said we are prohibited from providing aid because it is not a part of our common property nor owned by the HOA.

February, 2009

- The Board decided to explore a potential solution of purchasing the LSTC facilities.
- We charged a new Task Force* with obtaining financial data, making recommendations, and communicating our end plan to Lochmere Homeowners.

March, 2009

- The HOA Treasurer began examining LSTC tax records, financial reports, capital projections, financial obligations, value of property.

May, 2009

- The Task force set up this website to inform members of our progress (strongerlochmere.com).
- The Board received legal opinion regarding purchase and outstanding liabilities.
- The Board informed Lochmere Homeowners of the new website and the task force creation in the Clan Lochmere newsletter.

June, 2009

- The Board was informed by LSTC of inevitability of bankruptcy by the end of the summer, but they requested that we not publicize it due to the continuing solicitation of new members.

July, 2009

- The Board discussed issues with LSTC including past and future capital expenses and management of the facilities if purchased.

August, 2009

- We engaged a bankruptcy attorney to advise the Board and explore purchase of property.

September, 2009

- The Board was informed by LSTC that Wachovia might proceed to foreclose on the club at any time.
- Members of the groups will be meeting with attorneys and Wachovia to discuss our options.

October, 2009

- LHOA Annual Meeting and Election of New Board Members – the issue was discussed publically at the meeting

January, 2010

- LHOA Board votes to actively pursue acquisition of the club facilities subject to a successful vote and successful negotiation of a contract to purchase with Wachovia

February-April, 2010

- LHOA Board orders confidential professional appraisal of the properties and a complete Capital Reserves Study on the properties. LHOA receives reports from appraiser and from engineering company
- Board re-charters Stronger Lochmere Task Force to communicate to the community
- Board refines budget model for potential club facilities acquisition, operations, and long term capital reserves funding