



June 20, 2014

Dear Residents,

This is to keep you advised of the status of the mediation process which remains in recess at this time. The purpose of the recess is to allow for our further evaluation of the Developer's various development alternatives and the impacts which those alternatives will have on Grove Isle. We have requested additional information from the Developer which we have yet to receive.

Independently, we have recently learned that the Developer has made an application for a temporary use and occupancy permit to allow for the installation of the construction fencing. As of this afternoon a permit for construction fencing has not been issued but is expected to be issued shortly. The life of the permit based upon the application, if and when issued, will be two years. The application for construction fencing indicates that the permit is being sought in connection with the Developer's "proposed demolition" of the hotel and club facilities. Based upon our investigation, an application for a demolition permit has not been made to date. We intend to promptly address this issue with the developer in terms of timing and in the context of his development plans and will endeavor to preserve your continued rights to access the Club Facilities to which you are entitled.

We wish you a great summer and will continue to keep you advised as matters progress.

Very truly yours,

Board of Directors