

To: All Property Owners with an Amenities Lien from GH Capital

As you all know, the Developer has been, and still is, in default to the Community Association and all the Neighborhoods on the lots that they own at Montesoro.

At this point in time there are effectively no amenities being provided to those homeowner/members that agreed to be subject to the amenities property lien required by the Developer in order to use the Club or the golf course. Given their default status, it would seem reasonable to assume that there will be no amenities provided for the foreseeable future either.

At the same time, it must be understood that the liens themselves have no expiration date attached to them. They are potentially limitless in age. They are also an asset that the Developer owns—and that means he may sell them, assign them, or give them to another party which may then utilize and enforce them. They do not expire with the change of, or demise of, the Developer. They only go away via a legally recorded lien release executed by the lien holder (currently the Developer, GH Capital)

Based on the above, it would further seem that this is the ideal time to aggressively pursue the removal of the liens from the affected properties.

To that end, we are calling a meeting of all the affected property owners for February 13<sup>th</sup> at 4 p.m. to be held at the Santa Rosa Recreation Area to form an action committee to select an attorney and begin the process of reviewing our options and course of action for the removal of the amenities liens.

It is our view that a consolidated, “class-action”, approach is the most cost effective means to accomplish this task.

We believe that the initial review meeting with the yet-to-be-chosen attorney to review our options, and their initial contact with the Developer requesting release from the liens should not cost more than \$100 per amenities member. The details of this portion of the effort can be discussed in more detail at the February meeting.

If you are not able to attend the meeting, but wish to participate, please sign below and return a copy of this letter to Hank Schuette at PO Box 2117, BS, CA 92004.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Printed)

Regards,

Hank Schuette  
David Schaack