

September 10, 2015

TO: All Members of the Killearn Country Club

FROM: N. Barton Tuck, Jr., General Partner of Palmetto Club Properties

RE: Killearn Golf Course and Killearn Country Club Update

Dear Club Member,

Several months ago I announced a proposal that I believe is necessary for the survival of our Club, and which I believe will allow our Club to thrive and flourish for many years to come. I am pleased to write that an overwhelming majority of you approved the proposal last December.

Unfortunately, a small minority of Club Members filed two lawsuits to stop the proposal you approved from being implemented. In short, the suits were designed to delay the plan you approved and it is evident the few people backing the litigation decided to put their individual interests ahead of the interests of the Club. The litigation has hurt the Club by forcing the continued use of scarce resources on the Narrows, despite your decision to close that portion of the golf course, and by delaying revenues which are to be utilized for necessary improvements to the Club's amenities.

In order to stop the litigation and move toward implementing the proposal, I have elected to trigger the right to purchase given to the Club Members in the restrictive covenants encumbering the golf course. An official notice of that election accompanies this letter explaining the process and steps involved. In short, the Club Members are to select three people to serve on a panel that will decide whether to exercise the right to purchase. Tico Gimbel, a longtime Member and local attorney, has volunteered to be on the panel if so selected by his peers.

Please note I do NOT want to sell the club, but, I must tender the purchase right to you to ultimately cease litigation and to implement the revitalization plan. The proposal includes converting the golf course from 27 to 18 holes by closing the Narrows and keeping the Championship Course intact, selling a portion of the Narrows and putting the rest into a conservation easement, and reinvesting the proceeds of the sales into needed renovations for the golf course and Country Club. Also, we will extend the covenants on the Championship Course to 2061 in order to guarantee that the property will remain a golf course.

In contrast, what plan have we heard from the minority involved in the litigation? They say they have a plan to purchase the golf course and continue operating all 27 holes. However, I urge you to examine their "plan" closely because they do not have a viable strategy for operating

a golf course. It is important to note that the right to purchase is only for the golf course, driving range, putting greens, pro shop, and golf cart storage and maintenance areas. Therefore, their proposal does not and cannot include parking lots, locker rooms, the club house, the 19th hole, the dining facility, the swimming pool, or tennis courts.

In conclusion, I want to sincerely thank you for your continued dedication to the Killearn Country Club. I know you have several golf and country club options in Tallahassee and I am honored that you continue to remain loyal to our Club despite the difficulties we have experienced this year. I sincerely hope we are nearing the end of the litigation and we can all begin to look forward to new and exciting things for the golf course and country club. While I am sure every action we take will be met with litigation, your selection of a panel of three will be the first step in our plan of revitalizing Killearn.

Sincerely,

A handwritten signature in black ink, appearing to read "N. Barton Tuck, Jr.", with a stylized, cursive script.

N. Barton Tuck, Jr.

NOTICE TO THE MEMBERS OF
THE KILLEARN COUNTRY CLUB

Emailed and Mailed September 10, 2015
Effective Date September 15, 2015 to Allow for Mail Delivery

RE: Right to Purchase

The owner of the Killearn Country Club has elected to discontinue golfing play and operations on a nine-hole portion of the golf course commonly known as “the North” or “the Narrows.”¹

Pursuant to the Special Restrictive Covenants encumbering the golf course, the Club Members accordingly have the right to purchase certain property. Per the covenants, the Owner offers to sell the following property: (1) the 27-hole golf course; (2) driving range; (3) practice putting greens; (4) golf pro shop; (5) golf cart storage shed; and (6) and golf maintenance shed. Please note, the Special Restrictive Covenants expressly excludes the club house, dining facility, locker room, 19th hole, motel and motel office, swimming pool, and the tennis courts from the right to purchase. Thus, those portions of the Club are not offered for sale.

The purchase price for the property included in the offer is \$2,535,000.00. The purchase price was determined by a recent appraisal of the property included in the Member’s right to purchase. The appraisal can be viewed online at the following internet address: <http://bit.ly/1ga3Dix>. If you do not have internet access or prefer to view the appraisal in person, please see our General Manager, Lori Wilkey, at the Club. She will give you a copy.

IMPORTANT

The Special Restrictive Covenants requires the Club Members to choose one (1) three-person panel to act as the Members’ agent and attorney-in-fact to represent them and act on their behalf in regards to the right to purchase. The Members must notify the owner of the names and addresses of this panel’s members within twenty days of the effective date of this notice (on or before October 5, 2015) or the right to purchase will be waived. All notices due to the owner must be given either to Lori Wilkey in person or to Danny Manausa, c/o The Manausa Law Firm, P.A. 1701 Hermitage Blvd Suite 100, Tallahassee, FL 32308; danny@manausalaw.com. The panel members must take action within thirty days of the effective date of this notice (on or before October 15, 2015).

¹ The Narrows will remain open until the purchase right mechanism has run its course and the injunction is dissolved.