

AUGUST 2014 NEWSLETTER

The Board of Directors would like to address two topics that have been the focus of a number of recent emails to our staff and postings on the web site.

First, we have been asked why we had purchased the building at 63 Village Lane (the old offices of Bald Mountain Development Corporation and Wolf Laurel Realty), when there are so many needed road improvements to worry about? Good question, but it is based on a false premise that we separately purchased the building – in fact, the building was part of a package deal to “buy out” Mr. Willis Williams and Bald Mountain Development Corp. The goal of the Board, in entering into negotiations, was to finally end the string of developers who had controlled Wolf Laurel and put the future of the community into the hands of the property owners. Make no mistake, Wolf Laurel could never have been developed without the risk-taking, vision, and leadership of these developers, but their interests did not necessarily coincide with the interests of those who bought property here. They wanted their risk-taking and hard work to pay off in profits and, at times, that meant that improvements had to take a back seat to the bottom line. With the change in the direction of the community from the developer to the property owners, we are now most concerned with what must be done to protect and enhance our joint ownership in Wolf Laurel Resort. The cost for this change was for the Wolf Laurel Road Maintenance and Security Homeowners Association to purchase both the physical and intangible assets of the Bald Mountain Development Corporation for the best price we could negotiate. As you know, the current real estate market and the financial collapse of Lehman Brothers Holding Inc. provided an opportunity for the Association and a disadvantage for Mr. Williams. The result is that the Association gained a number of lots, in addition to the building on Village Lane. We also became heirs and successors to a number of property rights in the form of easements and privileges, and became the administrators of the covenants and bylaws governing Wolf Laurel. We believe we got the best deal possible after difficult and extensive negotiations, but there was never any doubt that it was to be a “complete buy out.” The Board has moved the Road Maintenance and Security offices into the building and, when our lease with the Wolf Laurel Property Owners Association (for office space in the community center where the staff was located after the WLPOA’s purchase of the Village and Amenities) expires we will notice substantial savings in operating expenses.

Second, we have been asked what in the dickens were we thinking when we used precious money to improve the parking area at the gate to the top of Bald Mountain and then altered the sides of the roadway beyond the gate? To answer that question, we must begin with a little history. Before the Forest Service gained possession of the title to the top of the mountain, Bald Mountain Development Corporation and predecessors owned it. Since the beginning of Wolf Laurel Resort in 1966, access to the top of Bald Mountain has always been one of the top selling features to prospective buyers. Since many of our property owners have been fairly senior in age and unable to walk long distances, that access included vehicular access. When Bald Mountain Development Corporation deeded the land over to the US Government/Forest Service (presumably for tax purposes); this right of access for Wolf Laurel residents was formalized in an easement. During the past several years, the road became increasingly impassable, even for many four-wheel drive vehicles, and the gate across the road was frequently vandalized and left open. To temporarily rectify this situation, the Forest Service closed access to the road. The Board appointed representatives to negotiate with the Forest Service to reopen the road. These negotiations were very difficult, as the Forest Service has a primary objective of protecting the top of Bald Mountain and the sensitive Appalachian Trail, but our negotiators were successful in achieving an agreement that protects our right of access (which is important to a great many of our residents) and that offers benefits to the Forest Service. It is obvious that the Forest Service believed that the road, as it was currently built, was unsustainable and contributed to erosion. Accordingly, the Forest Service brought in their ecology and biology experts to survey the top of Bald Mountain and, based on their recommendations, engineered a plan for improving the road – a plan that the Board of Directors has agreed to implement. We are doing what the Forest Service wanted, and they are happy with the results. Yes, it looks a little dramatic now, but it is designed to finally channel runoff water properly so that the top

of Bald Mountain is protected. The Forest Service has directed that the roadway be closed until next year, so that things can settle in. And there will be more work to do farther up the road next year. We ask everyone to bear with us and to take the same long view as the Forest Service has. We want to exercise our rights, but we want to protect the top of Bald Mountain at the same time. In that vein, the board has developed stringent and rigid policy for vehicle usage beyond the gate in order to help protect the area when the roadway is finally available for our use.

Additionally, the Board of Directors would like to remind everyone that we are in the middle of the transition from an appointed board to a fully elected board that will be completed in 2015. This year's election has been announced for September 30, 2014. The staff will shortly be mailing election materials to all property owners who are current in their annual membership payments. With the election of two new board members, the property owners will have elected a majority of the Board of Directors. When you receive your voting materials, please exercise your voting rights and promptly return your ballots.