



TO: All Buck Bay Residents
FROM: The Buck Bay Owners
DATE: October 31, 2006

We have had various correspondence with you over the last year and a half about our long term plans to upgrade Buck Bay over time using modular or site-built homes as lots became available. This was to be a gradual transition, using first the existing vacant lots.

When this was proposed, we had a neighborhood meeting and several public hearings on the issue, to which ever resident was invited. Unfortunately, only about ten people showed up. We told those who did, and the City Commission, that Buck Bay was not "for sale", and we had no plans for any big changes. We assured those in attendance that even though the state statutes only require six months notice, we would make no changes which would affect current residents without one full year's notice, and no such changes would take place prior to September, 2008 under any circumstances.

The Buck Bay owners have, over the past two years, received no less than 20 unsolicited offers to purchase Buck Bay. We turned down all of these offers because they were made by out-of-town and out-of-state institutional buyers who had no ties to Gainesville, no loyalty to the current residents, and all management would also have been out-of-town.

Late this summer, however, we received an unsolicited offer through a local Realtor from a local investor. We interviewed him, and found he was born and raised in Gainesville, has a huge amount of experience in local property ownership and management, and most importantly, agreed with our overall vision for the future of Buck Bay. He readily agreed to honor the commitment we made in the public meetings and to the residents that no changes which would displace current residents would be made any sooner than September, 2008, and that, in fact, his plans included, as ours did, a gradual additional to modular or site-built homes, which would remain in the "affordable" classification.

Based on what is stated in the above paragraph and that he will be in this for the long term, we agreed to sell Buck Bay, and, in fact, are closing on the property today, October 31st. The new owner is Edwin Dix, of Edix Properties, and Buck Bay management functions are being taken over by Bossahrdt Management Services, also a local firm with years of experience. They will no doubt be contacting you regarding rent collection and management issues.

Ed is a young guy (while we are all approaching retirement age) and has a very good reputation in the community. We have no doubts this is a good thing for Buck Bay residents since ownership and management will stay local, and that we have left you in good hands. We thank you for living in our property, and offer our sincere best wishes for the future.

Location: 7700 N.W. 34th Street Extension
Mailing Address: 2321-A2 N.W. 41st Street - Gainesville, FL 32606
(352) 372-7700

EXHIBIT

COMPOSITE T

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THOMAS C. SPAIN

CITY OF GAINESVILLE
CITY COMMISSION

November 16, 2006

2006 NOV 17 PM 4:40

The Honorable Pegeen Hanrahan, Mayor
Mr. Craig Lowe
Mr. Scherwin Henry
Ms. Jeanna Mastrodicasa
Mr. Rick Bryant
Mr. Jack Donovan
Mr. Ed Braddy
PO Box 490
Gainesville, FL 32602

Dear Mayor and Commissioners:

There are various rumors being discussed on the forums section of *The Gainesville Sun's* web site—and possibly in other venues—regarding Buck Bay and the treatment of its residents. Claims are being made that I and the other previous owners were not honest and straightforward, and I want to set the record straight so there are no misunderstandings on the part of the Commission, Plan Board members or staff regarding the truthfulness my statements and what took place behind the scenes.

1. I stated both in the public hearing and in writing that there were no changes being contemplated that would affect any resident's status at Buck Bay—and that is still the case.
2. When we applied for an amendment to the PUD that would allow modular or site-built homes in Buck Bay, there was no pending sale, no intention of selling and no plan to close the park (nor to do any of the other deceitful things mentioned by participants in *The Sun's* forum dedicated to this topic).
3. AFTER the zoning change, we were approached by a local (born and reared in Gainesville) investor to purchase the community. We previously had turned away many offers, several for higher amounts than what ultimately was paid, because they all came from out-of-town "institutional" investors. It was important to us that ownership and management stay local because we believe a local investor is more likely to do what is right for the residents of Buck Bay and the Gainesville community.

The previous owners committed to the residents of Buck Bay as well as the commissioners and staff that **no changes would be made to any resident's status, under any circumstances, prior to September 1, 2008, AND, that if such changes were contemplated in the future, a full year's notice would be given (as opposed to the six-month notice required under state statutes).** Since the potential buyer, Ed Dix, was a citizen of this community and agreed to honor this commitment, we agreed to the sale. These details were made clear to the residents in a letter dated October 31, 2006—a copy of which is enclosed.

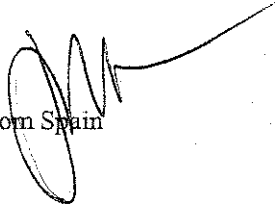
While I do not know Mr. Dix personally, everything I have heard leads me to believe that he is a reliable and trustworthy individual with a great deal of experience in the affordable housing market. I checked with the current management company before writing this letter, and Mr. Dix has no plans to make any changes contrary to the original commitment. Further, the previous owners are not aware of any plans Mr. Dix has beyond what we had in mind, which was to upgrade the homes in Buck Bay over time as lots become available and to provide residents with the benefits of owning the land on which they live.

2321-A2 NW 41 Street
Gainesville, FL 32606
352.376.6372
tomspain@bellsouth.net

Selling Buck Bay was a heart-wrenching decision for all of the owners, and something we really did not want to do for a few more years. We know many of the residents personally, and some have been there since we opened the community in 1983. We only agreed to this sale because it provided a measure of protection for the residents beyond what we might have been able to provide in the future. I know there are always going to be folks who think we had nefarious motives—or at least were uncaring—even when the exact opposite is true. However, it is particularly hurtful to be accused of such things when we have really, honestly tried to do the right thing.

I have spent my entire adult life in this community trying to be fair with everyone with whom I interact, being honest and following through on my commitments. It wanted you hear the facts "from the horse's mouth" because my reputation and your respect are important to me. Should you have any questions, please don't hesitate to contact me.

Sincerely,



Tom Spain

Enclosure

Xc: Marion Radson, City Attorney
Tom Saunders, Director of Community Development
Ralph Hilliard, Planning Manager
The members of the City Plan Board

cc. C/Mgr.



TO: All Buck Bay Residents
FROM: The Buck Bay Owners
DATE: October 31, 2006

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CITY OF GAINESVILLE
CITY COMMISSION

2006 DEC -6 AM 10:41

BUCK BAY

Mobile Home Community



To: All City Commissioners and staff
From: Tom Spain
Date: 12/5/06
Re: Buck Bay

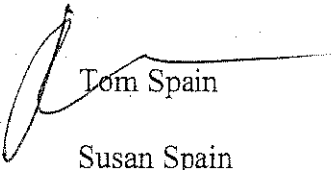
When I sent you a letter recently, I was still under the impression Ed Dix was planning to make the change to modular/site-built homes in Buck Bay slowly, as we had planned to do, with no residents being displaced before 9/1/08. Shortly after that, we understand he sent a notice to the Buck Bay residents of his intent to make this transition on a more aggressive time-table.

While he is still giving a year's notice, six month's longer than required by law, it is certainly not what we, the owners, thought we had agreed to. I don't think Mr. Dix intentionally deceived us, or the residents, but perhaps he did not place the same level of importance on that agreement, over a hand-shake, as we did.

You should know that at the time I was before you and the plan board for the requested zoning change to allow modular homes, none of the owners had had any contact with Mr. Dix about selling Buck Bay. Mr. Dix's offer came completely out of "left field" more than a month after you had approved the change. We were actually about to sign a contract with a management firm in Bradenton to assist in the transition and were in the process of selecting the modular homes we would use.

We do feel, however, that you, and the residents, are entitled to an explanation of what transpired leading to current situation. The attached letter was mailed to each resident today.

Sincerely,


Tom Spain

Susan Spain
Shirlee Gerber
John Kish
Kathy Kish

enclosure

cc: C/Mgr.

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Dear Buck Bay Resident,

As most of you know by now, the Buck Bay property has recently been sold by the Gerber, Kish and Spain families to Mr. Ed Dix of Gainesville. Over the past few weeks there has been a great deal of information and misinformation circulating about the sale and we want to set the record straight.

First, a bit of history may be in order. Buck Bay was developed in the mid 1980s by four local families. One family dropped out a few years later and ownership has remained with the three families. This property has always been more than an investment to us; it has truly been a family business. We all believed that it was important to offer a mobile home park in Gainesville that was family-oriented and had availability for new families. Our children even starred in the original TV commercials for Buck Bay.

Over the years, we have received numerous offers to sell the Buck Bay property – but all were from out-of-town firms who we knew would close the park and thus displace residents who we cared a great deal about. Despite these lucrative offers, we did not sell the park.

For the past few years, we have been looking closely at the Buck Bay property trying to find a way to keep the mobile home park financially viable. After hundreds of hours of research and trips to look at other parks, we decided the best option with the least affect to current residents would be a slow transition from a rental mobile home park to a neighborhood with newer modular homes and renovated mobile homes on permanent foundations, with residents owning the land. Many of the current Buck Bay homes could therefore stay in the park with the addition of a permanent foundation. The cost of property, when amortized over a 30-year mortgage would be about the same as current rents. We thought this option would be a win-win for everyone involved, especially the residents.

We began the permitting process with the City of Gainesville to make the transition and negotiated with a modular home manufacturer. Shortly thereafter, we received another unsolicited offer to buy the park from Mr. Dix.

On July 5, Tom Spain met with Mr. Dix to find out what his plans were for the future of the park. Tom said to him, "I want to look you in the eye and shake my hand and agree that you will stick to the promise I made to the city commission and the residents that no one will be displaced before Sept. 1, 2008. Mr. Dix said, "No problem. That's what I was going to do anyway. I'm going to build on the vacant lots as they become available."

Other than to answer a few questions, none of the owners spoke to Mr. Dix again and he gave no indication that what he had agreed to on July 5th had changed. The closing took place on Oct. 31 and we mailed a letter to all

residents stating the park had been sold and that Mr. Dix was not planning to displace any residents before Sept. 1, 2008. We felt sure that was the deal we had struck.

When we heard rumblings to the contrary, several calls to Mr. Dix were not returned. However, Mr. Spain did speak with a representative of Mr. Dix's management company on Nov. 12, who indicated that as far as he knew, Mr. Dix had no plans to close the park right away, but had plans to build on the vacant lots.

The following Monday, we were told of the letter you received indicating Mr. Dix was closing the park beginning earlier than the agreed-to Sept. 1, 2008.

We want you to know that regardless of the unfortunate outcome, the previous owners of Buck Bay spent two years trying to make Buck Bay a financially viable business without negatively affecting the residents. We were well on that path when the opportunity presented itself to bow out two years earlier. Clearly, had we supported closing the park, we would have sold to a developer years ago for a price far greater than we received from Mr. Dix.

Unfortunately mobile home parks are closing almost daily all around the state as they become less and less financially viable. Rents have simply not kept up with expenses, especially taxes and the land has become more valuable for other purposes, such as shopping centers and condominiums.

The state does provide financial assistance for moving homes and we understand Lamplighter has a few spaces available. Since all the homes in Buck Bay are moveable, we would encourage you to explore this possibility.

We urge you to try to work with Mr. Dix. Many of you may well be able to purchase one of the homes he builds.

We do want you to know that our intent and our understanding from first discussions through closing with Mr. Dix was that no Buck Bay resident would be displaced before Sept. 1, 2008. We have run Buck Bay for twenty years with honesty, integrity and compassion and we hope Mr. Dix will do the same.

Sincerely,

The Gerber Family
The Kish Family
The Spain Family

cc: City of Gainesville Commission
City planning staff
City Attorney