

## **Minutes of the 1998 Annual Membership Meeting for Tri-County Point Property Owners Association**

The 1998 Annual Meeting of the Tri County Point Property Owners Association was held at the Carancahua Community Center on March 20, 1998. The meeting was called to order by president Rickey Tauzin. He introduced the other officers in attendance, Vice President William Winnie, Secretary/Treasure Mary Rowe as well as Office Manager Susan Jessup. President Rickey Tauzin explained that he had replaced Robert Cornett as President. Mr. Cornett had submitted his resignation in April of 1997. He also introduced the Association's Attorney, Michael Gainer.

The minutes from the 1997 meeting were read and approved as read by Mrs. Rowe.

Mr. Winnie presented the budget. Cash on hand as of December 31, 1996 was \$61,707.26

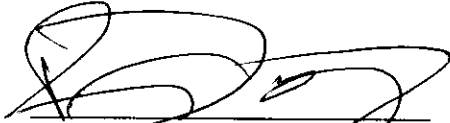
The meeting was then turned over to Mr. Gainer to explain the status of the association's ongoing litigation with the FDIC and Appling Brothers. He provided the history of the litigation prior to his involvement through the past year. He then discussed the meeting called by the Judge which was held on October 15, 1997 in Dallas between the association (Officers, Office Manager and Lawyer) and the FDIC lawyers, the Appling lawyers, the taxing authority for the Palacios School District, and the taxing authority for Jackson County. The Judge had ordered that an agreement be reached at this meeting, but it was apparent that the FDIC lawyers only wanted to prolong the proceedings and had not come to the meeting with the intent of settling anything. Mr. Gainer then explained the filings that had gone on since that time, the information gathering trips that had been made by his office along with Mrs. Jessup and where we stood as of the present time with the litigation. He felt the Judge's patience with the FDIC was wearing thin and the association was in a good position to get a substantial settlement in the near future. He also explained the importance of any settlement we reached being free of back taxes, as this was a substantial obligation the property owners should not accept.

In response to questions from the floor, Mr Gainer said he felt a settlement of 3/4 of a million dollars might be possible. To another question, he explained that he was working on a contingency basis. If we got nothing, he got nothing. But if a settlement were reached, he would receive one third of the settlement.


Misters Tauzin and Winnie then explained what the association would hope to do with the settlement. First would be restoring the roads and upgrading them to a condition acceptable by the county so that the county would take over maintenance. Mr. Gainer said that when this was done, it would be important for property owners to contact the county judge and commissioners, possibly by attending commissioner's court to show support for the action. The officers said that other important things to occur were re-surveying of re-staking the surveyor's marks, and possibly putting up some kind of street signs so property owners could find their lots. Mr. Winnie said that we would continue with non-elected Board members until the control of the 608 unsold lots is determined, at which time the new by-laws calling for election of board members would be transitioned into place.

There was a general discussion in which several property owners expressed their frustration. Also, many questions were asked.


After thanking Mrs. Jessup and Mrs. Boone for the refreshments, Mr. Tauzin adjourned the Meeting.



Rickey Tauzin, President



William W. Winnie III, V-President



Mary Rowe, Sec/Tres.