



10100 North Central Expressway
Suite 600
Dallas, Texas 75231

local 214 706 9801
toll 800 324 7438
fax 214 706 9878
web www.ddresorts.com

October 19, 2007

Mr. Lee Stallings
Better Business Bureau of Metropolitan Dallas, Inc.
1601 Elm Street
Suite 3838
Dallas, Texas 75201

Re:	Christopher Weides:	Case # 91057071
	William P. Dorsey:	Case # 91057857
	Louis Stowger:	Case # 91056848
	Gary Ryan	Case # 91056611
	James R. Bragg	Case # 91057185
	Elke Drozd	Case # 91058421
	Conrad Lagustan	Case # 91057819
	Gary A. Findley	Case # 91058248

Dear Mr. Stallings:

I am in receipt of your letters concerning the above-referenced complaints. In connection with the above-referenced matters, I assure you that the Double Diamond Companies (DDI) take all customer complaints very seriously and make every effort to resolve the same on a reasonable and amicable basis. However, in response to the complaints filed with your office by the above consumers, we deny any wrongdoing in this transaction.

As part of its effort to boost the operation of the Hospitality Services at the White Bluff Resort, the White Bluff Property Owners Association Board of Directors properly voted on and unanimously adopted the food and beverage credit program, about which the above have lodged these complaints. By letter dated January 7, 2004, the Board of Directors explained this program and other important initiatives crucial to White Bluff's success to all property owners. Included in this letter was an FAQ sheet (attached) that directly addresses the concerns of the above consumers, specifically property owners that live more than 150 miles from White Bluff may post their food and beverage credit for sale on the White Bluff website. This credit sales program has been very popular and has allowed many property owners to sell their credit and recoup their fees. Article VI(e) of the Bylaws of the White Bluff Property Owners Association, Inc. (the "Association") grant the power to the Association to exercise all of the powers and privileges and to perform all of the duties and obligations as may be set forth in the Declaration. Additionally, the Bylaws grant the power to "fix, levy, collect and enforce payment by any lawful means, all charges or assessments provided for by the Declaration," and "insofar as permitted by law, to do any other thing that, in the opinion of the Board of Directors of the Association will promote the common benefit and enjoyment of the Owners..."

Section 204.010(9) of the Texas Property Code also grants associations the power to impose and receive payments, fees, or charges for the use, rental or operation of the common area and for services provided to property owners. The legislative commentary to Chapter 204 even states that "it is in the best interest of residential real estate subdivisions that a procedure be available to readily facilitate increases in the amount of

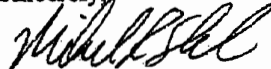
amount of regular or *special assessments* to allow the property owners' associations to better provide services to the subdivisions [emphasis added]."

Article III(3) of the Declaration states that "the rights of membership [in the Association] are subject to the payment of the annual maintenance fees and any special assessments lawfully levied by the Association." The Board of Directors properly implemented the Food and Beverage credit program to promote the common benefit and enjoyment of the property owners and is not limited to food and beverage, but can be used at any facility in the Development. These efforts are aimed at generating interest in, and improving the hospitality operations at White Bluff, which will benefit all property owners at White Bluff. This program is also very flexible, with a "for sale" program for those property owners that do not live close enough to regularly enjoy the amenities at White Bluff.

We regret the frustration felt by the above consumers, but the POA made every effort to craft a program that addressed the concerns of distant and local property owners. However, it is our position that neither the White Bluff POA nor Double Diamond and its staff engaged in any wrongdoing in connection with this transaction, and a refund of the assessed fees for the food and beverage credit program is not warranted.

Please do not hesitate to contact me should you have any questions or require additional information regarding this matter.

Sincerely,



Michael R. Skahan
Associate General Counsel