



DOUBLE DIAMOND COMPANIES

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April 14, 2010

DANIEL L. SATURN
4506 TANGLEWOOD CIRCLE
KILLEEN, TX 76543

Dear White Bluff Owner:

For those of us who have not met, I am Mike Ward, President of the Double Diamond Companies. We developed White Bluff and operate the Hospitality operations, including the Golf Courses, Restaurants, Marina and Hotel.

Presently each property owner at White Bluff pays \$200.00 per year under the White Bluff Credit Program. For that payment owners receive \$250.00 in credit to spend for any hospitality related goods or services at White Bluff. This program was instituted to insure the ongoing operation of the Hospitality facilities. The fact is that closing the operations, or cutting service levels dramatically would negatively impact values, and property owner enjoyment.

The overall hospitality operations at White Bluff have never been profitable. However we continue to work hard to improve and we are optimistic. Last year we spent over \$700,000.00 expanding and deepening the White Bluff Marina. We think that will be a very positive move for the hospitality operation.

You have an investment at White Bluff and I believe you may want a little more insight into the financial position of the operation. I have enclosed a report that shows the income statements for the past nine years. We are in the process of having several of the years audited and will put the audits in the Member only section of the White Bluff web site when they are completed.

White Bluff is a wonderful place and we intend to do our part to see that it continues to improve.

Sincerely,

A handwritten signature in cursive script that reads "Mike Ward".

R Mike Ward
President

WHITE BLUFF CLUB CORP.

INCOME STATEMENT

For the Year Ended

	12/28/2008	12/30/2007	12/31/2006	1/1/2006	1/2/2005	12/28/2003	12/29/2002	12/30/2001	12/31/2000
Sales	\$ 3,495,832	\$ 3,617,706	\$ 3,928,451	\$ 3,839,872	\$ 3,560,883	\$ 3,376,346	\$ 3,265,667	\$ 3,012,905	\$ 3,229,350
Less: Cost of sales	871,307	741,905	759,714	746,889	790,373	771,073	784,328	685,235	804,063
	2,624,525	2,875,801	3,168,737	3,092,983	2,770,510	2,605,273	2,481,339	2,327,670	2,425,287
Other income	860,231	706,260	644,466	415,339	401,417	97,150	70,274	55,334	57,492
Total net revenues	3,484,756	3,582,061	3,813,203	3,508,321	3,171,927	2,702,423	2,551,613	2,383,004	2,482,779
Operating expenses:									
Employee compensation	2,094,002	2,170,345	2,027,442	2,015,484	1,852,545	1,671,473	1,582,402	1,618,903	1,696,319
Occupancy	389,061	361,145	393,840	337,625	309,643	283,829	256,573	292,629	270,103
General and administrative	1,014,624	1,150,352	1,028,635	816,210	1,492,685	1,666,948	1,177,759	670,254	878,235
Depreciation and amortization	106,176	87,293	60,710	41,581	47,664	46,953	51,272	54,324	50,632
Total operating expenses	3,603,863	3,769,135	3,510,627	3,210,900	3,702,537	3,669,203	3,068,006	2,636,110	2,895,289
Net income(loss) before other direct expenses	(119,107)	(187,074)	302,576	297,421	(530,610)	(966,780)	(516,393)	(253,106)	(412,510)
Less: Other Direct Expenses (Shared)	196,563	343,940	492,565	615,667	(16,789)	44,111	7,791	4,599	(2,235)
Depreciation-Hospitality Infrastructure	215,426	234,081	253,798	253,086	342,468	362,704	377,588	389,399	388,979
Net income(loss)	\$ (531,096)	\$ (765,095)	\$ (443,787)	\$ (571,332)	\$ (856,289)	\$ (1,373,595)	\$ (901,772)	\$ (647,104)	\$ (799,254)