



Spearman Clubs, Inc.

CECIL E. SPEARMAN
CHIEF EXECUTIVE OFFICER

December 26th, 2018

RCI Friends,

Rumors are flying about RCI-AGAIN. Thus, I want to provide the EXACT STATUS of RCI right now.

RCI WILL CONTINUE TO OPERATE AS A CLUB FOR AT LEAST 18 MONTHS AND PROBABLY MORE. RCI IS OWNED BY A PARTNERSHIP. AS ITS GENERAL PARTNER WITH FULL CONTROL OVER RCI AND THE LAND, I TELL YOU NOW THAT RCI WILL CONTINUE TO OPERATE AS A CLUB FOR AT LEAST 18 MONTHS.

The source of all the rumors of eminent RCI closure is the fact that I have allowed a consultant to determine if its land use could be changed to "highest and best use." That is called "a change of entitlement." That change would allow the land to be used for another purpose rather than a Club. It takes a long time to determine if the entitlements can be changed and is very expensive to do.

Since the deed restriction on the land expired several years ago, several developers have told me they would make a significant offer if I would change the entitlements. I am not willing to spend the money to determine if zoning and use can be changed. But I am allowing a consultant to determine if the change can be made for a developer...at their cost. The analysis will take several years, and RCI will operate normally until the review is completed.

If the change to highest and best use is made and a significant offer is made, I MIGHT CONSIDER SELLING THE LAND.

This is the EXACT STATUS of your club-RCI will operate as a Multi-Sport club offering Tennis, Swimming, Fitness and Social for all of 2019 and most of 2020. We will continue to keep RCI in FIRST CLASS condition while we are waiting to hear about a POTENTIAL change of zoning entitlements.

Call me with any questions at 949 4962070 ext 1

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