

LEGEND COMMUNITIES

August 15, 2011

Dear Harborwalk Property Owners and Slip Members:

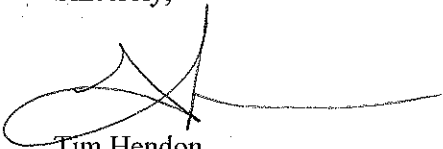
Legend Communities, a full service developer of master-planned lifestyle communities, is pleased to announce that it is now leading the management efforts for the prestigious Harborwalk project. Our company, headquartered in Austin, is in the process of due diligence and planning efforts with an anticipated purchase of the property by the end of the year. We wanted to provide you with this management update as soon as possible, while also taking this opportunity to express our excitement for the future of Harborwalk.

As background, Legend Communities (www.LegendCommunitiesInc.com) has extensive experience in the development of award-winning master-planned communities, yacht clubs and marinas, and is privileged to add the Harborwalk community into its portfolio. We view Harborwalk as the premiere waterfront location on the Texas coast, and look forward to helping recapture the energy and enthusiasm surrounding the original vision of Flamingo Isles, while simultaneously realizing the potential of this exceptional lifestyle community.

To make the management change as efficient as possible, Legend Communities has appointed Mark Caldwell as Development Manager. Mark has extensive background in development and construction services, and will bring a wealth of experience to the project. Please expect to hear from Mark and his team on plans for the community by early October; we ask for your patience during the transition. If necessary, Mark can be reached at the Harborwalk main office at (405) 935.3737 or e-mail info@harborwalk.com.

Thank you for your continued support and involvement in the Harborwalk community. We look forward to communicating with you again regarding the latest updates for this exceptional project.

Sincerely,



Tim Hendon
General Partner – Legend Communities