Eastern Gardens

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July 23, 2009

To: Members of Eastern Gardens Cooperative, Inc.

Subject: Courtesy and Appreciation

Dear Members/Shareholders:

This letter is in response to verbal and written complaints that have been received by the board from concerned members who were distressed by individuals who having approached them at their residency, made slanderous and negative comments toward our community director Ms. Theresa Williams, in an attempt to discredit her and harm her reputation. The Board would like to make it very clear of its position on this issue. This kind of behavior by individuals making such derogatory statements sometimes referred to as idle gossip full of unproven facts and misinformation is discouraged. Ms. Williams as an individual has a right to be free of having her reputation or person slandered and may pursue it separately through litigation. Members and non-members living with a member of Eastern Gardens are advised by the Board, that to behave in such a manner that would violate an individual's right to a quiet and pleasant enjoyment of their residency or deny contracted employees of Eastern Gardens to a friendly work environment is unacceptable.

The Board conveys its support and appreciation for its community director, Ms. Theresa Williams. In the past 5 years Ms. Williams has continually conducted herself in a friendly and professional manner accepting her responsibilities with vigor, determination, and enthusiasm. Her contributions and efforts to ensure that Eastern Gardens is in compliance with all local, fire, safety and building codes, passing all fire inspections, county inspections for pool safety, property inspections by HUD, REAC in areas of administration and record keeping, appearance, safety, grounds and apartment maintenance, have been exemplary. Eastern Gardens is but one of a few properties out of some 325 properties of FPI's that has received such notoriety by HUD and local agencies for its compliance. Ms. Williams has numerous awards and certifications acknowledging her skills and abilities, she is always training or updating herself in the latest changes in HUD policies including additional training and certification for Section "8" policies and procedures and by personally assisting those members on the program. Ms. Williams attends board meetings, carries out the directives of the board, and helps to ensure that the membership understands and complies with Eastern Gardens Bylaws, Occupancy Agreement, Rules and Regulations, and navigating us clear of any litigation issues. The Board looks forward to working with her in the years to come. Therefore, your elected volunteer Board of Directors is asking that the membership, when placing trouble-calls, to please exercise courtesy.

Please refer to the board on any disagreements of the bylaws, occupancy agreement, rules and policies or complaints about our managing agent, director(s) or member(s). Submit a letter, signed by you, stating your concerns and present it to either the Secretary or President of the board. All letters are read privately and discussed amongst the board and are kept confidential. The Board encourages its membership to be active and participate in the organization and to know firsthand items of concern. We encourage the membership to read the meeting minutes, newsletters, and fliers and obtain any financial reports for accuracy, and in-doing so, become less dependent on hearsay and idle talk.

Rumors and the circulation of misinformation can have a powerful motivational aspect on those who believe in them, and are most often self-generating stories from the imaginative mind of a cynical person. As rumors spread without corroborating evidence, they can have a very damaging effect to a person's character and career.

Your elected volunteer Board of Directors will continue to act in the best interest of the cooperative, its management and its membership; it does not discriminate and is impartial; it will comply with applicable federal, state and local laws, codes, contracts and regulatory agreements to which the cooperative is bound.

Sincerely,

EASTERN GARDENS COOPERATIVE, INC.

Janice Hoberg, Frank Lenhart Donna Schmelz

Ed Healy Mary Kirk Merritt Miller James Patrick

Eastern Gardens Board of Directors