

# Research Report-Legal Committee

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# Research Report-Legal Committee

- Status
  - Reviewed and talked to a number of firms
  - Selected a firm to recommend to the CLCGPC
  - Research on deed restrictions
  - Research on legal rights of golf course homeowners

# Research Report-Legal Committee

- Deed restriction
- 1. Use. The Property shall be restricted for use only as a golf, tennis, athletic, swimming, racquetball, or other recreational activity facility (“Recreational Facility”), with facilities including but not limited to a golf course, tennis courts, swimming pool, racquetball courts, athletic facilities, clubhouse, restaurant and other related and maintenance facilities for a period of thirty (30) years. Thereafter, such use restrictions shall be automatically renewed for consecutive periods of ten (10) years each so long as the permitted use shall be economically viable. Should Grantee in its reasonable discretion determine at the end of any such period that use of the Property as a golf club as herein contemplated is no longer economically viable, such use restrictions may be changed to include the construction sale and habitation of single family residential units.
- 18. Deviations. Grantor has the exclusive right and hereby retains the exclusive right to approve deviations from-the requirements hereunder where in its judgment, any such deviation will result in a more effective and compatible Property utilization and enhance the development of the Property.

# Research Report-Legal Committee

- Deed restriction **excerpts**
- 1. Use. The Property **shall be** restricted for use only as a (“Recreational Facility”), for a period of thirty (30) years. Thereafter, such use restrictions **shall be automatically renewed for consecutive periods of ten (10) years** each so long as the permitted use shall be economically viable. **(Do not expire in 2021!)**

# Research Report-Legal Committee

- Deed restriction excerpts (continued)
- Should Grantee in its reasonable discretion determine at the end of any such period that use of the Property as a golf club as herein contemplated is **no longer economically viable**, such use restrictions may be changed to include the construction sale and habitation of **single family residential units**.

# Research Report-Legal Committee

- Deed restriction excerpts (continued)
- **18. Deviations. Grantor has the exclusive right and hereby retains the exclusive right to approve deviations from-the requirements hereunder where in its judgment, any such deviation will result in a more effective and compatible Property utilization and enhance the development of the Property.**

# Research Report-Legal Committee

- Research on deed restrictions
  - RGG has stated that they will sue Exxon to break the deed restrictions.
  - We believe that the deed restrictions should hold up on appeal.
  - RGG and Club Corp would have to prove drastic change in circumstances
  - We hope that bad business decisions, mismanagement, and greed are not drastic changes that would apply to deed restrictions.

# Research Report-Legal Committee

- Research on deed restrictions
  - If law suit occurs we recommend that the residents intervene to ensure Exxon actively defends the deed restriction.
  - If legal action is necessary, we will have to significantly increase our fund raising campaign. Pledges are in order so just see the people selling tickets in the back.

# Research Report-Legal Committee

- Research on legal rights of golf course homeowners
  - If course is converted we have been told that both Exxon and RGG have exposure but we hope it doesn't come to that. **We endorse the editorial that suggested Exxon buy the course and donate it to the county or city.**