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FAX NO.

P. 02

bluegreen®
COMMUNITIES
January 10, 2008

Honorable Kirk Perkins
Chairman,
Guilford County Commissioners
301 West Market Street
Greensboro, N.C. 27402

Dear Chairman Perkins:

Bluegreen Communities has reached an agreement with the state of North Carolina regarding the 690 acres adjoining the Haw River State Park that our company had hoped to develop into a housing community. As a result of our agreement with the state, we intend to withdraw our rezoning request for this property. The property will be sold to the state for use as a state park.

In light of the considerable controversy surrounding this project, our company believes that this result is in the best interest of the community. Our agreement with the state allows us to ensure that the original property owners' interests are protected and to recover some of our expenses, while the state may proceed with plans to develop the property as a state park.

We would like for you to know that we did not propose this development without performing extensive due diligence, and we respectfully withdraw our application with regret. When we proposed the development, the response we received from Guilford County was positive. Bluegreen had every reason to believe that the project would be well received.

As a result, our company invested a considerable amount of time and money into creating a project that we believe the county and its citizens would have been proud of. As concerns were raised, we were willing to amend our plans and were willing to sell portions of the land to the state, while developing the remainder of the property.

Nevertheless, Bluegreen is most interested in being a good neighbor and a good corporate citizen in the communities where we invest. It was never our intention to stir up the kind of controversy that this project has created.

Now, it is clear to us that our agreement with the state is in the best interest of all concerned. We hope that you agree. Bluegreen looks forward to future opportunities to invest in Guilford County.

Sincerely,

Tom Powers, by
Tom Powers
Division President

Neil H. Latham, attorney
cc: Secretary Ross