

THE CLUB AT NEW SEABURY MEMBERS ANNUAL MEETING

August 26, 2007 – 3:00 p.m. Clubhouse Ballroom

Board members present: Ron Maheu, Joe Anastos, Rosemary Burns, Dan Goggin, Kevin Daley, Jerry Hoffman, Brian Mone, Sy Yanoff

New Seabury Management: Steve Brennan, Judy Horton, Amy Buckley

Ballot Item 1

Ron Maheu made opening remarks [see BOM web site for full report at "www.newseaburyboardofmanagers.com"] and announced the election to 3 year terms on the Board of Managers of, Joseph Anastos, Rich Bailey and Bill Blaisdell.

Ballot Item 2

Consensus vote concerning future change in Bylaws:

Yes 74, No 9. Chairman reported Icahn Enterprises now operates New Seabury, rather than American Real Estate Properties.

Financial Report:

Beginning Balance	\$66,047.07
Dividends	2,893.52
Member Fees	500.00
Expenses	<u>- 4,947.00</u>
Balance 8/31/07	\$64,493.59

Management's Presentation

Steve Brennan introduced Judy Horton as the new Membership Director, replacing Bob Higgins.

Mr. Brennan reported as of this date over 30,000 persons attended the Beach/Cabana and Pool during the 2007 summer – the number of guests was down – the number of extended family member guests was up.

Golf Operations experienced some problems on the Ocean Course which have been corrected. There are fewer problems on Dunes Course because of the new grasses used during renovation.

The new irrigation system is expected to be finished by May 1.

Challenges at the Driving Range continue because management is limited in what can be done with use of fertilizers and chemicals in Section 5.

Problems at Tennis Club related to contractor – expected to be better next season, but remains an ongoing challenge.

Food and Beverage- The Popponesset Inn was very busy. At the Clubhouse the Sunday Night Buffet, Wednesday 1/2 price special, and Thursday Roast Beef and Lobster special were all very popular.

The real estate market continues to be slow. There will be 8 more condominiums at Sea Quarters constructed, 5 are currently available at Promotory, and at completion a total of 50 Sea Quarters will be built. Construction will likely begin in Section 5 with 150+ units of approximately 1,200 SF to 2,500 SF each in the next year. As this section progresses, NSP will construct a new Fitness Center and a proposed large swimming pool in Section 5.

Questions, Answers, and Comments:

Why are entrees at Club not even – sometimes good, sometimes not?

Few complaints have been received, but report will be passed on.

Does Transferability of Membership apply to both golf and sports?

Yes, for members who joined previous to September 1998.

Will Beach Club continue to exist – how about parking?

Parking remains the biggest problem – it is a huge challenge. Selective pruning continues but with great care until land plan submitted. The Beach Club will not go away.

Member said “We consider the Beach Club hallowed ground.”

What improvements will be made at Tennis Club to make it more player friendly? The few activities are announced late. It needs a committee and proper management to make it grow.

Web site was late in being put together – with more Sports members, activities including kids’ programs will grow. Board chairman said newly-elected Board member will concentrate on the Tennis program

Will there be condos built at waterfront? How many?

No land plan as yet, nothing definitive. There will be approximately 55 between Marketplace and waterfront. I believe it will be the last development to be started.

How about Popponesset Inn?

The Inn is a landmark and will always be there in some fashion.

What is happening in the Flat Pond area?

There will be 28 lots total – development slowed because land plan not cleared because of recording hurdles. Most problems resolved, but more land court work to be done on the 3 lots around the pond.

Who owns the condominiums being built on Great Oak Road? Will owners be allowed to join Club?

NSP declined to exercise its right of first refusal on land from Mews Pools Villas – however, it is within New Seabury property lines and therefore condo owners will be eligible to join our Clubs with the appropriate initial and annual fees.

How many members belong to the Club?

There are a total of 870 members. There are 605 golf members. The limit on golf members is 690. Because of attrition, it will be tough to reach the limit.

Will there be access to Section 5 from Great Oak Road?

There may be access to commercial property, but not to homes. Fifty units will be built at far end of Practice Area near Sales Cottage and will have access there, but that access will not be to the units built south of the Tennis Club on Cross Road.

Is there any information about members purchasing the Club?

Board said there is continued great interest among the members. We hope to have the opportunity to become bidders if it comes up for sale, but there is no indication if and when that will happen.

Management said it was for sale, but it is not now for sale. Mr. Icahn put it on the market to see what value there was. A great offer was made, but it was decided: why give it up until all houses built?

What is being done about the tennis courts near Daniels Island? They are an eyesore.
There will be condominiums there, but the sewer line needs to get there, which won't be soon.

How many Sports members were there last year and how many this year?
There were 225 last year, and there are 245 this year.

May Sports members have golf privileges a couple of times a year?
There is an integrity of each membership category – it is a busy place – If you did not buy the privilege of playing golf, 600+ golf members would have a problem allowing it.

Where will the new Fitness Center be located?
Fitness Center will abut Tennis Club.