



April 28, 2014

Dear Residents,

Clifton Saubert was instrumental in securing the financing and overseeing the construction of The Shorewood in the mid 1980's. Since that time our family has been very proud to contribute to the community by providing safe and secure Independent Living for our residents.

Steve and I, and his sister Karen and her husband Jim Campbell, have worked closely together to continue operating The Shorewood. We have communicated with the Oregon State Housing Department several times beginning in 2006, concerning the high interest rate they charge on our mortgage.

Since 2010, we have engaged three attorneys, a Security Bond Specialist, our accountant and Summit Bank in Eugene to reach a solution with the Housing Department. We proposed a plan to refinance our mortgage through Summit Bank and pay the Housing Department the remainder of the balance owed to them plus an early pay-off penalty fee of approximately \$50,000. This proposal has been in place for exactly two years and we are still waiting for an answer.

When the recession became a serious threat in January 2010, Steve and I and Karen and Jim began personally financing the operation of The Shorewood with approximately \$15,000 per month, thinking that it would be short term. We have continued subsidizing the daily operations out of our own pockets and to date have contributed a total of \$650,000, and we simply cannot continue.

We are totally committed to the business. If the state will not agree to allow us to refinance and lower the monthly payments, our family will not be able to continue in ownership.

We care so much about each one of you and also our wonderful group of employees. We have done everything possible, leaving no stone unturned to create a positive solution. Our State Senator Arnie Roblan and our State Representative Caddy McKeown met with the key people in the state Housing Department office on behalf of The Shorewood, to no avail.

It is totally at the whim (they say discretion) of the State Housing Department to allow us to refinance. Because of their greed and the profit margin they make on our interest rate, they are touching your personal lives and ours. If you have any questions, please ask Steve or me although we may not have all of the answers.

We booked a trip to the UK last fall to spend this May visiting Chris and Collette Slack, the Brits who lived at The Shorewood for the past two summers. We will be leaving on May 7<sup>th</sup> and return at the end of the month.

We are hoping for a resolution with the Housing Department in the near future. And we hope that it will be to the benefit of everyone here.

Thank you for your understanding.

Sincerely,

A handwritten signature in blue ink, appearing to be 'Sue', written in a cursive style.

Sue & Steve Saubert

Karen & Jim Campbell