

**Bay Harbor Tax Relief Legal Fund  
4500 Vista Drive  
Petoskey, Michigan 49770**

January 26, 2009

Honorable Dr. T. Pall, Mayor  
City of Petoskey  
101 E. Lake  
Petoskey, MI 49770

Subject: Excessive Property Taxes charged Bay Harbor Property Owners by  
the City of Petoskey

Dear Mayor,

This letter acknowledges your phone message of January 20, 2009 to William L. Hicklen where you advised that the City of Petoskey will not be able to respond to the tax concerns of Bay Harbor residents until latter part of February 2009.

This dispute between the City and Bay Harbor property owners has festered for more than ten years. Numerous meetings over the years have been held between the City Manager and Bay Harbor property owners without any formal response from the City. Bay Harbor property owners have been left totally frustrated with the procrastination and deliberate refusal of the City to resolve the issue.

Therefore, at the beginning of March the Board of Directors of the Bay Harbor Tax Relief Legal Fund will file in the Circuit Court for the County of Emmet a COMPLAINT AND CLASS ACTION DEMAND pertaining to the issue if no formal response is forthcoming from the City that proposes a serious, comprehensive and significant settlement of the dispute.

Very truly yours,

William T. McCormick, Jr. - President  
Bay Harbor Tax Relief Legal Fund  
4500 Vista Drive  
Petoskey MI, 49770