



LANDMARK LAND COMPANY, INC.

MEMORANDUM

TO: Board of Directors, et. al.

FROM: Jerry Barton

DATE: December 29, 2010

SUBJECT: Landmark - Update

While it is traditionally melancholy to see a year end, 2010, like 2009, 2008 and 2007, does not leave my reality with great sadness. While sales have not risen in either South Padre or Barbados, the optimism of our traffic and the seriousness of inquiry leads me to the conclusion that 2011 will be a meaningfully better year; however, as an optimist, all my surprises are disappointments and time will tell if the sunshine of prosperity will really shine on us or is it just a false dawn.

As I reported to you recently, Douglas Durst has asked a New York appraisal firm to review our appraisals in South Padre and Barbados. This, combined with the ever-decreasing working hours during the holidays and the century setting snowstorm in New York, has delayed Douglas making the decision that he had promised by Christmas. On the outside one never knows, but I believe that the only remaining issue is verification of value and this is one area where it is easy to have confidence. I am told that they will have the appraisal report in their hands next week and certainly I would expect a quick decision. The bottom line is The Durst Organization has been the most successful real estate company in Manhattan, particularly in the last 5 years. Douglas would not have had interest in this unless he felt that it fit his organization and certainly he understands Landmark, because we have been his partners in the largest development in the Hudson Valley for 12 years. Therefore, I believe he wants to be in the business, he wants to be in the business with us, and if he perceives the values to be fair, we will have an agreement.

Tomorrow I go to Johns Hopkins for what I am told will be my last skin graft operation on my foot. I expect to be in the hospital 1 or 2 days. The bad part of this is that probably I will be inhibited to travel for a couple of weeks. The good part is after 58 years of marriage, I have found an excellent excuse not to go dancing on New Year's Eve. Those of you who know me will know I never went dancing on New Year's Eve, but in the past I did not have a good excuse.

Obviously I will keep you informed of our progress with The Durst Organization and I hope each of you have a healthy and happy New Year.

Jerry