

January 11, 2010

Dear Property Owner:

The purpose of this letter is to make you aware of two revisions that we have made to the subleasing program for residential tracts along the shore of Lake Ray Hubbard.

First, the required amount of commercial public liability insurance that is required for all subleases has been reduced from \$600,000 to \$500,000. Exhibit B of the Lakeshore Residential Sublease Agreement has been revised accordingly.

Second, we have made a change to the initial sublease rent payment. The "base" initial sublease rent payment is \$750 for all tracts. In addition, a surveying fee may be required in the amount of \$900 for Tracts 11 through 49 and \$675 for all other tracts. This surveying fee covers the following items:

1. Provide field surveying as necessary to recover or reset previously set sublease parcel boundary monuments.
2. Provide an updated property tract exhibit, to be on standard letter or legal-size paper.
3. Provide large-format (24" X 36" paper) drawing of the sublease tract including the boundary, field notes, public easements of record, and mapping of all existing improvements inside and within 5 feet of the tract boundary, signed and sealed by a Texas-registered Professional Land Surveyor.
4. The additional \$225 for Tracts 11 through 49 covers location and monumentation of the new public utility easement for the recent sanitary sewer construction.

The surveying fee can be waived if the property corner pins that were previously set for each sublease tract are still present and undisturbed. These corner pins are in the form of a 5/8" diameter steel rod driven into the ground at the sublease corners, with a plastic cap on top with "R-Delta Engineers" inscribed on it. There also could be a wooden stake driven into the ground near the steel rod. Please refer to the PDF exhibit for your individual lease tract for more information as to where these corners are located. If the survey portion is waived, then the initial sublease rent payment would be reduced to \$750 for each tract.

The sublease documents that are available on the City of Garland's website (www.ci.garland.tx.us) will shortly be updated to reflect these changes. If you have any questions, please contact either Lyle Jenkins or Leo Signey at (972) 205-2170.

Sincerely,

R. Lyle Jenkins, P.E., CFM
Drainage and Development Engineer