

March 1, 2007

Ms Toby Futrell
City Manager
City of Austin
505 Barton Springs Road
Austin, TX 78704

VIA HAND DELIVERY

RE Agreements regarding application on behalf of CLB Partners ("CLB ") for CBD-CURE zoning on the tract located at 605 and 615 West 7th Street, Austin, Texas, City of Austin Case No C14-06-0183 (the "Zoning Case")

Dear Toby

As representatives of CLB, the proposed developer of the above described property, we respectfully submit this letter to confirm the following

For its own reasons, constituting good and valuable consideration, in the event that CLB develops a project on the property which exceeds sixty (60) feet in height, CLB will make a contribution equal to Two Hundred Fifty Thousand Dollars (\$250,000) to the following parties, allocated as described below

- a Five Hundred Dollars (\$500) per entitled residential unit donated to Shoal Creek Greenway Improvements (Austin Parks Foundation), and
- b Remainder to be donated to either the Housing Trust Fund or the Smart Housing Capital Improvement Project Fund, or any other entity designated by the City of Austin whose primary purpose is to provide affordable housing

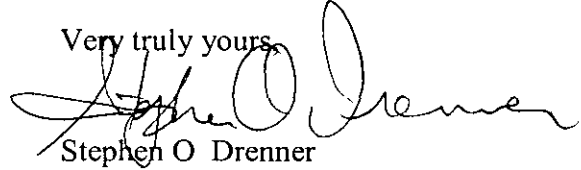
The contribution will be made upon the commencement of construction of the project

CLB has indicated its agreement with this letter by signing this letter

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Please let me know if you require additional information or have any questions

Very truly yours,



Stephen O Drenner

Enclosure

cc Jorge Rousselin, Neighborhood Planning and Zoning Department (*via electronic mail*)
Deborah Thomas, Law Department (*via electronic mail*)
Mike McGinnis, CLB Partners (*via electronic mail*)

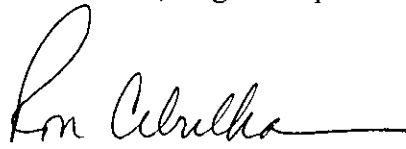
CLB Partners LTD,
a Texas limited company

By CLB Partners, its general partner

By

Name

Its



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Vice-Pres