

S O U T H W I N D .:CAPITAL, LLC:.

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CITY MANAGERS OFFICE
LAWRENCE, KS

January 27, 2005

Mr. David Corliss
Assistant City Manager & Director of Legal Services
City of Lawrence
6 East 6th Street
Lawrence, KS 66044

Dear Dave:

Below is a summary of what was discussed in the January 21 meeting involving City Staff, KDOT officials, Peridian Group and me.

KDOT places a higher safety priority on the installation of a westbound left turn lane than the eastbound right turn lane. KDOT now understands that a westbound left turn lane construction was not a development condition placed on the final plat and was not a requirement by the City as part of the approved Final Plat.

City Staff and KDOT agreed to replace the Final Plat requirement for an eastbound right turn lane with one for a westbound left turn lane. The City's approval is conditioned upon City Commission approval.

Developer will be responsible for out-of-pocket cost for the westbound left turn lane equal to its private bid on the eastbound right turn lane. The balance of the westbound left turn lane will be assessed in a benefit district comprised of Fairfield Farms West, Block 1, Lots 1, 2, 3. There will be no City or KDOT financial participation in the construction of the westbound left turn lane.

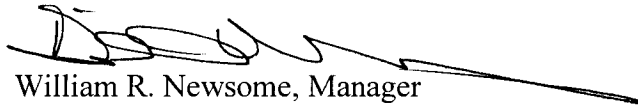
The City will defer all assessments until a building permit is pulled for first lot among Fairfield Farms West Block 1, Lots 1, 2, 3 or any tract which is presently owned by Eastside Acquisitions on the east side of O'Connell Rd. At the time of the application for a building permit or permits on any of these properties any deferred special assessments or current special assessments will be due and owing to the City prior to the issuance of a building permit.

The construction of the eastbound right turn lane will be a condition of any development plan for Fairfield Farms West, Block 1, Lots 1, 2, 3 or a plat/development plan for any tract owned by Eastside Acquisitions on the east side of O'Connell Road.

Please let me know if this is not consistent with your understanding.

Sincerely,

EASTSIDE ACQUISITIONS, LLC

A handwritten signature in black ink, appearing to read 'W. Newsome', with a long, sweeping horizontal line extending to the right.

William R. Newsome, Manager