

LAKE FOREST COMMUNITY ASSOCIATION, INC.

— Professionally Managed by SBB Management Company, AAMC® —

5728 LBJ Freeway, Suite 300
Dallas, Texas 75240
(972) 960-2800 Fax (972) 991-6642

March 9, 2006

Dear Lake Forest Resident,

Members of the Board of Directors and the Landscape Committee have undertaken a formalized bid process on the Lake Forest Landscape Maintenance Contract over the past few months. After the creation of a formal bid specification, a Request for Qualifications received from 9 potential Bidders, a formal Request for Proposal from 5 Bidders, revised Bidding from 4 Bidders and Interviews with 3 Potential Candidates, the Committee made a recommendation, approved and ratified by the Board of Directors, to award the Landscape Maintenance Contract to:

Precision Landscape Management, Inc.
2222 Valwood Parkway
Dallas, TX 75234
972-241-3789

During this formal bid process, the definition of the tasks and the frequency of these tasks included in the landscape maintenance contract have been defined. By doing so, the Association was able to create a scope of work in which the Board of Directors and the Landscape Committee feels contains a higher level of service than the previous contract at no cost increase to the actual budgeted landscape contract cost.

Not only will Precision be maintaining the common areas of Lake Forest, but will also be the contractor maintaining the front yards (to include areas behind homes between the alleyways and fences) of the residences as specified and laid out in the Declaration of Covenants, Conditions, Restrictions, Easements, Charges and Liens.

In order to facilitate the transition, Precision Landscape will attempt to contact each and every residence in order to understand each unique need of specific front yards. If you do not receive a contact from Precision within 7 days of this letter, please feel free to contact them or SBB Management Company.

The following is a list of the maintenance covered under the front yard portion of the Contract between Lake Forest and Precision:

March – December of 2006

General

Property Cleanup 44 Visits

Turf

Mowing, Edging and Trimming of Turf 33 Visits
Fertilizer Applications 4 Times
Pre-Emergent Applications 2 Times
Post-Emergent Applications 3 Times
Insect Control 1 Broadcast – Spot Treatment as needed.
Disease Control 1 Broadcast
Noxious Weed Control 3 Treatments

Ornamental and Hardwood Trees, including Crepe Myrtles

Insecticide Control 2 Times
Fungicide Control 2 Times
Maintenance of Tree Wells 6 Times
Replenishment of Mulch for Trees installed less than 2 years 2 Times

Shrubs, Vines and Groundcover

Edging, Pick Pruning, misc. Trimming 31 Times
Groundcover Shearing 1 Time
Shrub Pruning 4 Times
Insecticide and Pesticide Control 4 Times
Granular Fertilizer 2 Times
Foliar Fertilizer 3 Times
Pre-Emergent Applications 2 Times
Post-Emergent Applications 3 Times

Seasonal Color Beds

Cultivate and Weed Beds 26 Times
Edging, Pick Pruning, Pinching 39 Times
Granular Fertilizer 3 Times
Foliar Fertilizer 2 Times
Insect/Disease Control 4 Times

Please be advised the Association's contract does not include:

- Any Backyard or Side Yard Maintenance.
- Shearing of Shrubs.
- Any Tree (including Crepe Myrtle) Trimming or Pruning.
- Any New Plant Installation or Replacement of Existing Plants.
- Any Seasonal Color Purchase or Install.
- Any Irrigation System Maintenance or Repair.

The contract will also cover the entire 2007 calendar year and the frequency of many of these services will be proportionally increased to cover the full year.

If you would like Precision Landscape to perform any of the services not included in the Association's Contract, they would be happy to provide a customized bid for your work. Additionally, if you wish to restrict or eliminate any of these services for your front yard, you will need to communicate with Precision.

In order to make this transition as smooth as possible, Precision has identified a primary contact with their company. Please contact:

John Vanderpearl
Landscape Consultant
972-241-3789
johnv@precisiondallas.com

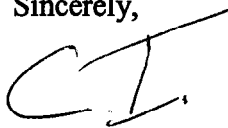
Mr. Vanderpearl will be happy to work with each individual resident in order to address all individual concerns and requests. Precision Landscape will also be sending a letter to each individual homeowner to establish contact and facilitate communication.

The Board of Directors would like to thank the volunteer assistance of David Karcher, Tom Munroe, Ken Woolley, Gene Coker, and Dick Ernst for serving on the Landscape Contract Bid Committee. They would also like to thank Tim May for his professional assistance in preparing the Bid Documents and facilitating the Bid Process.

The Board feels that this process will only assist in improving the landscape at Lake Forest and the contracted relationship will be beneficial to the Association in the years to come.

If you have any questions regarding this process, please feel free to contact SBB Management Company for assistance.

Sincerely,



Clara Insko
Community Manager
SBB Management Company



Matthew Moore, CMCA®
Community Manager
SBB Management Company