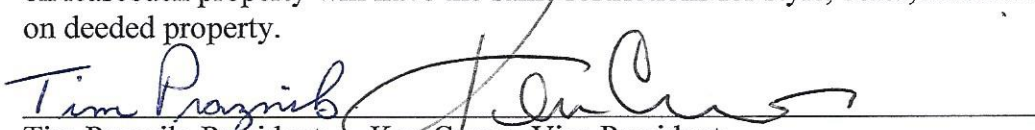


Internal Memo

From: Tim Praznik
Subject: Sabine River Authority -- Leaseback Requirements
Date: March 2, 2020

On March 2, 2020, Ken Crews and I met with Conrad King, Division Manager of the Sabine River Authority to discuss our HOA requirements for construction of outbuildings and other structures on SRA leaseback property. The SRA basic requirements for construction on leaseback are listed on the back side of their Construction Permit Application (attached). We asked Conrad if our HOA could impose restrictions on the leaseback property that match those on our deeded property in Royal Oak. We were informed that as long as the restrictions are as stringent as the SRA's requirement, that we could. We then asked if they would supply us a written letter stating that our HOA had the authority to impose such restrictions and they would not do so. SRA does not want to be involved in any kind of controversy or dispute that may arise between a homeowner and the HOA.

Based on our discussion with the SRA Division Manager, outbuildings and other structures constructed on leaseback property will have the same restrictions for style, color, material and location that are used on deeded property.


Tim Praznik, President -- Ken Crews, Vice President

3-6-20
Date Signed

CONSTRUCTION GUIDELINES FOR FACILITIES ON LAKE FORK RESERVOIR
PRIVATE LIMITED USE PERMIT AREAS

* All improvements must be permitted and maintained in good repair and in a slightly manner, or they will be subject to removal.

I. STORAGE BUILDINGS / GAZEBOES / PAVILLIONS - May not be used as a habitable structure or for R.V. storage.

1. Buildings shall be single level and shall not exceed 720 square feet.
2. Siding: Factory coated metal, wood, cement fiberboard, or brick.
3. Flooring: Concrete slab or wooden structure with a minimum of 2x6 treated floor joist.
4. Roof: Factory coated metal or composition shingles.
5. Potable water plumbing attached to conventional household fixtures including, but not limited to, sinks, showers, bathtubs, laundry facilities, and toilets are prohibited.

II. BOATHOUSES and PIERS – May not be used as a habitable structure.

1. Structures shall be single level not exceeding 1,500 square feet; not including the walkway from shore (subject to further limitations based on amount of usable shoreline).
2. Total length may not exceed 150' from the 403' m.s.l. or 25% of cove width (whichever is less).
3. All materials touching water and structural framing shall be steel or treated wood or other approved material. All wooden material must be treated 2x6, synthetic deck board or approved equivalent.
4. Walls: Factory coated metal, wood, cement fiberboard, or brick.
5. Roof: Factory coated metal or composition shingles.
6. All wiring shall be placed in conduit (see V-2 below).
7. Encapsulated foam flotation is recommended for floating boathouses. Other flotation may be approved on a case by case basis.
8. Potable water plumbing attached to conventional household fixtures including, but not limited to showers, bathtubs, laundry facilities, and toilets are prohibited.

III. FENCES

1. Fencing material must be pre-approved.
2. It is the responsibility of the permittee to located permit boundaries and to construct fencing on the permit boundary. Fences may not extend beyond the m.s.l. pool elevation of 403 feet.
3. If it is determined a fence needs to be removed or relocated for any reason, the permittee will do so at no cost to the Authority.

IV. EXCAVATION / DREDGING / RETAINING WALLS

1. Excavation and dredging may be permitted in some areas at the discretion of the Authority and the U.S. Army Corps of Engineers. All dredging, filling, and excavation activities within the permitted premises must comply with all applicable local, state, and federal requirements, and must be completed in accordance with any required permit from the U.S. Army Corps of Engineers.
2. No dredging or excavation will be allowed where it will cause the 403' m.s.l. conservation pool elevation to be closer than 200 feet from the project boundary.
3. Slopes and channel sides slopes shall be no steeper than 4:1.
4. Dredged material must be removed above the 403' m.s.l. pool elevation and BMP's used to prevent sediment from washing back into the lake until the material is dry enough to spread and stabilize.
5. Retaining wall material must be pre-approved and appropriate for the shoreline location.

V. GENERAL

1. No recreational vehicles may be stored on the Private Limited Use Permit Area.
2. All electrical wiring shall be installed in accordance with all federal, state and local electrical codes.
3. Electrical wiring may not be attached to trees; all electrical wiring must be installed underground in conduit, unless otherwise approved.
4. Water withdrawal pumps must be electric (no gasoline units). Discharge from pumps must be limited by 1" inside diameter restriction. No submersible pumps.

NOTE: All structures constructed on Authority floodplain lands may be subject to periodic flooding and inundation up to the project boundary elevation of approximately 412 ft. m.s.l.

Construction Guidelines are not comprehensive, but are intended as an aid to permittees. Please contact the Sabine River Authority of Texas, Lake Fork Division with any questions.