



August 18, 2008

Via Email

Kelly Flanagan
President
Property Owners Association of Sunset Bay
kflanagan@suddenlink.net

Re: *Property Owners Association of Sunset Bay – Control Transfer Date*

Dear Ms. Flanagan:

This letter is in response to your request for documentation evidencing the Control Transfer Date for when control of the Property Owners Association of Sunset Bay was turned over from the Developer to the Property Owners Association.

Pursuant to Section C (3) of the Sunset Bay Declaration of Covenants, Conditions and Restrictions (the "Covenants") as recorded under File No. 289514 in the Real Property Records of Aransas County, Texas (copy attached for your convenience), the Control Transfer Date occurs at the following time:

At the discretion of the Developer or in any event at such time as eighty percent (80%) of the lots in all sections of the Subdivision are conveyed by Developer (from time to time hereafter referred to as the "Control Transfer Date"), the Developer shall cause an instrument transferring control of the Subdivision to the Association to be placed of record in the Real Property Records of Aransas County, Texas (which instrument shall include the Control Transfer Date).

Accordingly, on April 21, 2008, the Developer executed a Special Warranty Deed and Assignment and Assumption of Easements granting and transferring control of the common areas in the Subdivision to the Property Owners Association. Therefore, the Control Transfer Date is April 21, 2008. A copy of the executed Special Warranty Deed and Assignment and Assumption of Easements is attached. The documents were recorded in Aransas County, Texas, with the recorded originals to be returned to MMC, Inc. It is my understanding that MMC, Inc. is no longer involved with the Property Owners Association, but transferred all documentation to the POA upon its resignation. Included in the transferred paperwork should be the original recorded Special Warranty Deed and Assignment and Assumption of Easements. If you have any trouble locating the recorded documents, copies can be requested from the County.

These documents should satisfy the bank with regards to the Control Transfer Date. If the bank requires additional documentation, we can draft a Declaration to be signed by both the POA and the Developer affirming the Control Transfer Date. Please let Randy Gaul know if there is anything else you need.

Very truly yours,

THE STRONG FIRM P.C.

A handwritten signature in black ink, appearing to read "Melissa R. Proctor", with a long, sweeping underline that extends to the right.

Melissa R. Proctor

Enclosures