

February 29, 2016

**VIA FIRST CLASS MAIL &
CERTIFIED MAIL, RRR (91 7199 9991 7036 1514 0276)**

Windermere Marina Association, Inc.
c/o Sandy Nielson
3101 Mistyglen Circle
Austin, Texas 78746

Re: Use of common area property owned by Windermere Property Owners' Association by Windermere Marina Association, Inc

Dear Windermere Marina Association, Inc.:

This firm represents and I am writing on behalf of Windermere Property Owners Association (the "POA") concerning the use of common area property owned by the POA adjacent to the western end of the boat ramp in the Windermere Oaks subdivision (the "POA Property") by Windermere Marina Association, Inc. (the "Marina Association").

As you are aware, the POA has historically allowed the Marina Association to anchor its boat marina to the POA Property by use of a cable anchoring system attached to the POA Property, to run utility lines across the POA Property to such boat marina, and to use the POA Property as a means of access to such boat marina by the Marina Association's members.

As you are also aware, until recently, central Texas has been in a drought and the receding water level of Lake Travis has created issues with respect to the use and location of the various marinas which are located adjacent to the POA property and the POA's community dock. In order to address those issues, as well as other issues related to the use of the POA Property, the POA has elected to terminate the Marina Association's permitted use of the POA Property, as described above, unless the Marina Association executes an annually-renewable lease agreement for the use of the POA Property, which shall include the following terms:

1. Lease payment of \$1,200.00 per year to the POA;
2. A covenant that requires the Marina Association to secure and maintain at all times a general liability insurance policy that provides coverage in the amount of at least \$500,000 for each person and \$1,000,000 for each single occurrence for death or bodily injury and \$100,000 for each single occurrence for injury to or destruction of property, which must also name the POA as an additional insured, and shall provide

the Association with a certificate of insurance evidencing such insurance policy. Such insurance policy must waive any right of subrogation as to the POA.

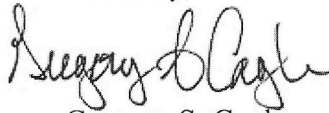
3. A covenant that requires the Marina Association to indemnify the POA for all claims and damages related to or arising from the use of the POA Property to anchor the Marina, utilizing POA utilities or the use of the POA Property by individuals to access the Marina, launch a boat or park a vehicle.
4. A covenant that requires the Marina Association to maintain the Marina at all times: (1) in good condition and repair; and (2) in compliance with all applicable federal, state, and local statutes and ordinances, including any ordinances and rules promulgated by the Lower Colorado River Authority. Such covenant will vest the POA's ACC with sole determination as to the condition and repair of the Marina, which shall be binding so long as it is made in good faith;
5. A covenant that prohibits the Marina Association, and its members, from storing or placing, or permitting the storage or placement of, trash, debris, and/or unsightly articles on the POA Property. Such covenant will vest the POA's ACC with sole determination as to what constitutes an unsightly article, which shall be binding so long as it is made in good faith;
6. A covenant that prohibits the Marina Association, and its members, from doing anything on the POA Property that would constitute a nuisance or annoyance;
7. A covenant that requires the Marina Association to locate its marina at a distance of no less than 35 feet from the POA's community dock at all times, and that prohibits the Marina Association from maintaining its marina in a location on Lake Travis that would restrict or interfere with the use of the POA's community dock boat ramp and safe passage of water craft by the POA's members and their guests.
8. A covenant that prohibits the Marina Association from leasing or selling a boat slip to or otherwise allowing the use of a boat slip by a person or entity who is not a current member of the POA. For purposes of such covenant, a member of the Tennis Village Property Owners Association shall be considered a member of the POA if such member maintains an active agreement with the POA for use and access of its amenities and common areas.
9. A covenant that requires the Marina Association to provide the POA with a current roster of all members of the Marina Association, including their names and addresses, who own, lease or are otherwise entitled to use the Marina's boat slips. Such covenant will require the Marina Association to update such roster within ten days any of the membership information changes.
10. A covenant that reserves the right of the POA to restrict use of the POA Property by any member of the POA who is delinquent in the payment of assessments to the POA, even if such member is also a member of the Marina Association.

If these terms are acceptable to the Marina Association, please let me know in writing within ten (10) days from the date of this letter. Upon receiving written affirmation of the Marina Association's agreement to such terms, I will prepare a lease agreement that incorporates the terms specified above.

Alternatively, if these terms are not acceptable to the Marina Association, then please consider this letter a written demand to immediately cease all use of the POA Property, including use of the POA Property to anchor the Marina Association's marina, to run utility lines across, and as a means of access by the Marina Association's members.

If you have any questions, or would like to discuss these terms in more detail, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Gregory S. Cagle". The signature is written in a cursive style with a large initial "G".

Gregory S. Cagle

cc: Board of Directors
Windermere Property Owners Association