

Pendleton Harbor

Property Owners' Association, Inc. Rt. 1, Box 1530 Hemphill, Texas 75948

January 10, 2001

Mr. Robert G. Neal, Jr. Attorney At Law P. O. Box 228 Hemphill, TX 75948

Ref: Policy Letter on HISD Foreclosures of Property in Pendleton Harbor Subdivision

Dear Mr. Neal:

This letter is provided to set policy on the action required by you on HISD foreclosures on property at Pendleton Harbor Subdivision.

The PHPOA does not desire to participate or file an answer to each notice of tax resale on property at Pendleton Harbor Subdivision. However, the citation of waiver will be forwarded to you for signature. If PHPOA does have an interest in a particular piece of property included in a foreclosure judgment, the Board of Directors will inform you of such interest and to act on it's behalf in acquiring the property.

Sincerely,

Sylvan J. (Richard

SJR/smt

President