

Dear Clara Van neighbor,

As a homeowner along Clara Van Trail, you may be interested in the Lexus dealership being proposed by us on 20 acres at the northwest corner of RM 620 and Clara Van. We would like to take a moment to tell you about the proposed plans for our family-owned dealership at that location.

Please be reassured that our Lexus facility will be far, far different from the typical stereotype automobile dealership. Here are some of the quality controls and neighborhood protections we have discussed and agreed to with the city.

1. Noise protection. The maintenance, repair, and service area will be fully enclosed, air-conditioned, and insulated to provide additional noise protection. High speed doors will open and close for vehicle entry in 4 or 5 seconds for preservation of air-conditioning, electricity, and noise protection. No outdoor speakers will be allowed. Communication between onsite employees will be by direct talk devices or cell phones.
2. Tree preservation. The vast majority of trees on the tract will be preserved. Nearly all large trees will be saved. We will also be planting additional trees over all 39 commercially-zoned acres north of Clara Van that we plan to purchase. Owning all 39 acres will allow us to ensure the quality of its development, commensurate with our Lexus dealership.
3. Impervious cover. In contrast to the majority of car dealerships, we plan to keep at least 50% of the land area vegetation: i.e. 50% or less impervious cover.
4. Terrain harmony. The existing hillside and terrain will be preserved without large cuts that would be necessary if the tract were developed as a grocery store or other retail development (which is currently allowed under the tract's existing C-1 Commercial zoning).
5. Lighting. The outside lighting will be hooded and directional to protect against light pollution across property boundaries and will fully comply with city light ordinances.
6. Hours of operation. Unlike a grocery store or other retail operation, the Lexus dealership will close no later than 9pm. We will be closed Sundays. We will be putting a policy in place with our employees to ensure that test driving will not be allowed down Clara Van or through the abutting neighborhoods. After hours, the outside parking lot lights will be dimmed and we will have a night-time security guard on property.

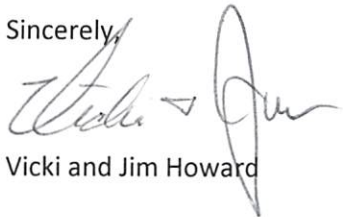
7. Advertising. We will not use typical advertising gimmicks used by car dealers such as banners, balloons, flags, pennants, blow-up figures, etc. We are asking that such prohibitions be incorporated into Lakeway's ordinance and that the ordinance also prohibit advertising on the vehicles themselves, including windshield advertising (except for government required notifications).
8. Aesthetics and quality. Our Lexus facility will have a unique, resort-like appearance with Hill Country aesthetics to better blend with the natural topography of the property. The customer waiting area will include a retail boutique featuring gifts and home décor and a full-service coffee bar. Landscaping will be in excess of what the ordinances require.
9. Tax base. For many years, the property in question has been in "Ag use," which means that the property taxes to the City of Lakeway have been miniscule and sales taxes have been zero. With the development of our Lexus dealership, a substantial increase in tax dollars will be coming into the city.
10. Convenience. Right now, over 5,000 Lexus owners in the area have to travel all the way to the Austin Lexus dealership for service. Having that service available so much closer to home will be a real benefit to them and future Lexus owners.

You are invited to visit our existing dealership in Austin to give you an idea of how different we are and how different we have been for the last 24 years.

Before our proposal went public, we met with the homeowner associations in North Lakeway Village and Ryland Homes, and our proposal was met with a warm welcome, especially in view of all the protections that we have built into the project.

If you have any questions, we would be happy to answer them. Please inquire by emailing [info@lexusofaustin.com](mailto:info@lexusofaustin.com) and a member of our team will be available to provide assistance.

Sincerely,



Vicki and Jim Howard

\*Enclosed is a preliminary architectural rendering of the main sales office that is indicative of the kind of quality that is planned.