From: "kevin dean" <kjamesdean@yahoo.com>
To: <jllaw@sbcglobal.net>
Sent: Monday, April 11, 2005 7:00 PM
Attach: KDAT agreement draft 411[1].doc
Subject: West Dallas Village

John take a look at this letter.

KD

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GOVERNMENT EXHIBIT
135
3:07-CR-0289-M
8/26/2005

ORH ACQUISITIONS LLC
1235 Three Lincoln Center
5420 LBJ Freeway
Dallas, Texas 75240
972/701-5551
972/701-5562 FAX

Kevin Dean
KDAT
PO Box 200455
Dallas, TX 76006

August 26, 2005

RE: Chicory Court—Riverside II, DBA Dallas West Village

Dear Kevin:

Confirming our discussion, you are proposing and we have agreed in principal to the following with your company and Helping Hand CDC to be involved with the partnership in facilitating the development of a mixed use mixed income development featuring 250 housing unit and a minimum of 7,500-10,000 SF of retail as part of the development of the NW corner of Bruton and St. Augustine Road, Dallas, TX, Dallas County.

The space in the MU-2 zoning will be considered flex space and will be configured as living units if quality retail is not an alternative. Your two organizations must obtain the support of Council member Don Hill and to insure our site is zoned and approved for State sponsored tax exempt bond financing. These approvals must be obtained in a manner consistent with the development timeline.

In consideration for your successful efforts, we are required to make the following payments and accommodates subject to the conditions set forth hereto:

1. Payment of the third party cost invoices not to exceed an approved budget by billing from an affiliate to cover the direct costs to be incurred.
2. A vested profits participation in 10% of the GP's share of developer fee, cash flow and residual value to paid within two business days of receipt of the money by the GP of the partnership to Helping Hand CDC so long as they are in good standing and serve as a qualified non-profit and CHDO sufficient in the sole discretion of ORH Acquisition to convey a sales tax and property tax exemption under Texas law. This applies to Dallas West Village only but may include future development projects as agreed to in writing by all the parties.

3. KDAT will have the right to sub contract with the GC on each development listed herein: Pecan Grove in Dallas plus Port Royal and Mission Del Rio in San Antonio plus this Dallas West Village project for the excavation and concrete scope of work subject to matching the competitive bid for the full scope of the job in accordance with the project plans and specifications. Bonding acceptable to our lender and investor in their sole and absolute discretion are required. Satisfactory work performance under any current contract must be maintained for addition contract work contemplated herein to remain effective in the opinion of Odyssey Residential Construction, LP.
4. In the event of a dispute the parties agree to binding arbitration with the AAA in Dallas County. Law of Texas, enforceable in the City of Dallas shall apply.
5. Participation by Helping Hand CDC or KDAT is solely subject to approval of the lender and investor for each development.
6. Final approval of all partnership and contractor terms and conditions are the sole purview of ORH Acquisitions LLC and or Odyssey Residential Construction, LP. Consent of the primary lender and investor is also a condition precedent to any sub contracts.
7. Nothing in the agreements shall be effective unless or until the zoning case on Dallas West Village Case#_____, becomes and ordinance without amendment in the City of Dallas. Passage prior to 4/30/05 is the requirement.
8. KDAT shall not undertake any activity, expenses or actions under the Dallas West agreement until specifically authorized to so by ORH Acquisitions and only following passage of the case and closing on the land acquisition and land loan for Dallas West Village.
9. KDAT cannot contract with any party on behalf of ORH Acquisitions nor vice versa.
10. If either party believes a breach has occurred, they are required to give a written notice to the other party of such breach. Unless such notice is given, the parties acknowledge performance by your organization in the fulfillment of the agreement terms.

Agreed to this day:

_____
Kevin Dean, KDAT

ORH Acquisitions, LLC

_____
James R. (Bill) Fisher, V. P.