

March 18, 2019

Erin Ralovo, P.E. Staff Engineer Public Works Engineering Division Lee's Summit, Missouri 64063

Dear Mrs. Ralovo,

We received the attached Bid that you provided for the Alternate Work as set forth in Section 2. A. of the "DEVELOPMENT AGREEMENT BETWEEN CLAYTON PROPERTIES GROUP, INC. DBA SUMMIT HOMES AND THE CITY OF LEE'S SUMMIT, MISSOURI FOR THE HAWTHORN RIDGE SUBDIVISION DEVELOPMENT dated June 14, 2018 (the "Agreement").

Pursuant to Section 2. B. of the Agreement we have reviewed the Bid and this letter shall serve as written notice that we have decided to <u>Elect Option for City of Lee's Summit, Missouri to Construct Road</u> Improvements.

While we agree with your letter that the Deposit required with the election above shall equal the Bid price of the Alternate Work plus 10%, according to Section 2. C. page 3 of the Agreement twenty percent of the deposit is due within 10 business days of Developer's written election (not twenty five percent with our letter of acceptance as your letter states). Please advise as soon as possible.

The remainder of the deposit is as you stated in your letter due within five business days of the Date that a fully executed contract is presented to us.

We will proceed to submit the deposit per the Agreement.

Sincerely,

Zalman M. Kohen Chief Operating Officer

Copy to:

City Manager

City Attorney Zalman M. Kohen David W. Price