

Joe & Kay Peterson
Founders

Angie Carr
Executive Director



Cathie Carr
President

Bud Carr
Vice President

Web site: www.escapees.com

100 Rainbow Drive • Livingston, Texas • 77351-9300 • 888-757-2582 • Fax: 936-327-4388

May 13, 2008

Dear Interested Members,

Thank you for your interest in the lots which are available for sale at Rainbow's End in Livingston, Texas. Pictures of the lots are posted on our website at <http://www.escapees.com/relotsales/>. We are offering these pictures and information simply as a tool to see if you are interested in taking the next step towards purchasing a lot. We require that you visit the property in person and will be required to sign a statement attesting to the fact that you personally visited the property or waived that right.

While some lots will have similarities, some will differ in price, development needs, restrictions and transfer of lot possession. Lots 201, 202 and 33 will not be ready for transfer until we are able to complete development of an area on the new property that we can use for storage and dry-camping. We hope to have that completed no later than December of 2008. However, these lots will adhere to all requirements and deadlines as outlined later in this update; only possession timelines will be different.

It is very important to remember that these lots are being sold "AS IS" and as undeveloped property. It is the purchaser's responsibility to add access culvert, utilities, and to address drainage issues and building elevation concerns. Any and all development costs are the sole responsibility of the purchaser. It is also the responsibility of the purchaser to develop the lot in accordance with all local, county, and state building and health code regulations. You will be required to abide by the deed restrictions according to individual deeds. The deed restrictions require that you abide by the Rules of Membership of Escapees, Inc., which may be found on our website, <http://www.escapees.com/edocs/MemberHandbook.pdf>. If you are not able to download the Rules of Membership of Escapees, Inc., please call our office for a copy. A summary of the deed restrictions is attached as Exhibit A or Exhibit B. All of the exhibits will be attached to and included as part of your deed.

Purchase of a lot limits your rights only to that lot. A lot may only be deeded to an individual, no lots may be held in the name of a trust, an LLC, business, etc. Purchase of a lot does not entitle the lot owner to the use of park amenities including, but not limited to; use of pool, use of clubhouse/activity center or other social areas, use of park dumpsters, showers, etc. The aforementioned amenities are for the use of Escapees Members in good standing, with the exception of the use of shower facilities and trash dumpsters. Shower facilities and trash dumpsters are for the use of campground guests.

Since we have more persons who have expressed an interest in our lots than available lots for sale, we have performed a lottery drawing and the names drawn were placed on an interest list in the order in which they were drawn.

The first person on the list will have the opportunity to make a lot selection from lots 201, 202, 203, 33, 175, 176 and 177. The second person will have the opportunity to select one of the remaining lots left after the first person has drawn, and so on down the list, until all lots are under contract.

Review the lot information on our website, do your own research and make your lot selection preference by the deadlines stated later in this update. If, after reviewing the information you decide you are no longer interested, just let us know and we will remove your name. If we do not hear from you by the deadline, your name will be automatically dropped.

This is your only opportunity to make a lot selection. If you are interested in only one specific lot that is fine, but if other lots would meet your needs, now is the time to list them in your lot selection choices. If the persons choosing before you choose all the lots you have listed as your lot selection preferences, then your name will be deleted and the lot selection process will move to the next person on the list.

Deadline to submit your selection is **June 13, 2008**. If no selection is submitted by June 13, 2008, your name will be removed from the interest list, ending your opportunity for one of these lots. You will only be allowed to purchase ONE lot!

You will have until **July 20, 2008** to do your research. No later than **July 21, 2008** you must have completed and returned a signed "intent to purchase" contract to us. Terms for purchase of a lot is CASH only. If you need to secure financing, you must send us a letter of pre-approval from your lending institution along with your intent to purchase contract. The same deadlines apply. We want this process to move as quickly as possible, so it is imperative that you follow the requirements and remain in contact with Rainbow Parks.

IMPORTANT: It is your responsibility to track your position and to stay in contact with Rainbow Parks. Failure to do so will result in termination of your opportunity to complete the lot selection/purchase process.

By going to <http://www.escapees.com/relotsales/> you may view pictures of the lots. The following pages provide a brief description of the lots but by no means are intended to provide all the details about the lot or the surrounding area.

Happy travels,



Bud Carr

Encl.

Brief Lot Descriptions

(Note: By no means are these brief descriptions intended to provide all the details about the lot or the surrounding area.)

Lot 175/Price \$39,500.00: By virtue of being a corner lot, there is a road radius which creates a rounded corner on the front and one side of the property. The back line abuts to a nature walk. Directly behind the nature walk is the Escapees' barn and maintenance area. The nature walk is currently closed with plans for future use uncertain. Across the street from the north property line is a lot which is designated as a possible future waste water disposal site. Currently the lot is being used for storage of equipment, supplies and fill material. We will be constructing a six foot wood fence on Escapees' property between the barn and this lot. We will also be constructing a six foot wood fence on one side of the lot across the street from the north border of lot 175. This is the lot which is currently being used for storage of equipment, supplies and fill material. The access to this property is by gravel road. Rainbow's End Large Lot Restrictions apply to this lot.

Lot 176/Price \$34,500.00: The rear lot line abuts to a nature walk. Directly behind the nature walk is the Escapee's barn and maintenance area and a developed lot. We will be constructing a fence on Escapees' property between this lot and the barn area. The nature walk is currently closed with plans for future use uncertain. The access to this property is by gravel road. Rainbow's End Large Lot Restrictions apply to this lot.

Lot 177/Price \$35,000.00: The rear lot abuts to a nature walk. The nature walk is currently closed with plans for future use uncertain. Directly behind the narrow walk is a developed lot. The south line abuts to a developed lot as well. This lot has a 30 foot culvert installed on the front property line. Across the street to the southeast is a waste water disposal area. This aerobic system has air compressors which operate constantly. The access to this property is by gravel road. Rainbow's End Large Lot Restrictions apply to this lot.

Lot 201/Price \$34,000.00: This lot is basically cleared. The western lot line abuts a developed lot and there is a fence with vines growing on it. The south lot line abuts a privately owned parcel of property which is outside the Escapees campground and such property is under no control of Escapees, Inc. The access to this property is by gravel road. Rainbow's Large Lot Restrictions apply to this lot.

Lot 202/Price \$35,000.00: This lot is basically cleared. The south property line abuts a privately owned parcel which is outside the Escapee campground and such property is under no control of Escapees, Inc. There is a 30 foot culvert installed on the north property line of this property. The access to the lot is by gravel road. Rainbow's End Large Lot Restrictions apply to this lot.

Lot 203/Price \$28,000.00: This lot is fifty foot in width on the front and rear property line. This lot will be limited to an RV use. There is a row of trees approximately in the middle of the lot and runs from front to rear property lines. There is an elevation change near the tree line which

Brief Lot Descriptions (continued from page 3)

runs the length of the lot. The east property line abuts a waste water disposal area. This aerobic system has air compressors that operate constantly. The access to the lot is by gravel road. Rainbow's End Small Lot Restrictions apply to this lot.

Lot 33/Price \$39,000.00: This lot is approximately one half (1/2) acre in size. This lot was previously used as a "manager's site" and "dry camp area" with a concrete patio and utility pedestal. The concrete patio will remain in place, but the current utilities will be disconnected from the existing sources. Installation of a sewer system in accordance with county codes will be required to service this lot. Development area of this lot may be reduced based upon the sewer system required to meet your development plans. Even though there was a hook-up site on this lot when it was used as a "manager site," there are no utilities which go with the property. Purchaser would be responsible for all costs related to obtaining utility services. This is a corner lot and has a hard surface road on the north and west property lines. Due to the road radius the northwest corner of the property is rounded. The property across the street to the north of this lot is currently used as a clubhouse and detached office area. Across the street to the northwest is Escapees National Headquarters office and parking area. Across the street to the west currently are campground sites. The property which abuts this lot to the east and south are developed properties. Rainbow's End Large Lot Restrictions apply to this lot.

Exhibit A

RAINBOW'S END SMALL LOT RESTRICTIONS

1. USAGE: No more than one (1) RV or park model for single-family residential usage only. (Park model maximum size: 400 sq. ft.)
2. VEHICLES: No more than four (4) vehicles, ungaraged, at any one time, including: truck, van, bus, motorhome, travel trailer, automobile, boat, utility trailer, detached camper shell, or other vehicle parts. Inoperable vehicles must be removed or garaged within sixty (60) days.
3. ANIMALS: Livestock and outdoor fowl are not permitted.
4. MEMBERSHIP: Resale of this lot is restricted to Escapees Club members. Use of the club amenities, e.g., clubhouse, recreational services, Laundromat, etc., are not rights of this deed but are rights of Escapees members.
5. GREEN AREAS: Green areas must not be reduced in size. Green areas are defined as seven (7) feet on the hook-up side, and five (5) feet on the other three sides, **unless otherwise further restricted**. Maximum patio size is 10 feet by twenty feet (10' x 20').
6. GUESTS: Guest RVs are not permitted on this lot, and non-Escapees must be accompanied by the host member when using park amenities.
7. SHEDS: RV shelters and patio covers, if any, must conform to designs supplied by Escapees, Inc. No other structures are permitted on this lot other than those structures specified in the restrictions. A shed may be placed on this lot by owner. Shed design and construction materials must be approved in writing by Escapees Inc. before construction or installation. Shed must be no more than 10' x 12' at drip line. Shed is for storage purposes only and can not be used as permanent or temporary living quarters.
8. PARK RULES: All residents and guests must abide by park rules.

Exhibit B

RAINBOW'S END **LARGE LOT RESTRICTIONS**

1. **USAGE**: No more than one (1) single family dwelling for residential usage only.
2. **VEHICLES**: No more than for (4) vehicles, un-garaged at any one time, including: truck, van, bus, motorhome, travel trailer, automobile, boat, utility trailer, detached camper shell, or other vehicle parts. Inoperable vehicles must be removed or garaged within sixty (60) days.
3. **ANIMALS**: Livestock and outdoor fowl are not permitted.
4. **MEMBERSHIP**: Resale of this lot is restricted to Escapees Club members. Use of the club amenities, e.g., clubhouse, recreational services, Laundromat, etc., are not rights of this deed but are rights of Escapee members.
5. **SETBACKS**: Building setbacks are ten feet (10') front and back, and five feet (5') on each side.
6. **GUESTS**: Individual guest RVs are not permitted on site and guest must be accompanied by the host member when using park amenities.
7. **PARK RULES**: All residents and guests must abide by park rules.

Contacts

Sam Houston Electric Coop	936-327-5711
Livingston Telephone Co.	936-327-4309
Providence Water Supply	936-327-6212
RE Sewer	936-327-9871
Chester Moore & Sons Inc.	936-967-4606

Other utility suppliers/contractors are available; check local area directories.