

September 15, 2014

TO CURRENT LOT LESSEES:

OFFER OF RENEWAL OF LOT LEASE AGREEMENTS

Please be advised due to rising costs, upon renewal of your Lot Lease with Live Oak Resort, Inc. commencing with the renewals in November 2014, the following rates will be effective for Mobile Home Lots:

One Year term lease:

\$722.50 per month Base Rental Payments

Three Year Term lease:

1st year: \$701.00 per month Base Rental Payments

2nd yr: \$792.30 per month Base Rental Payments

3rd yr: \$861.64 per month Base Rental Payments

Five Year Term lease:

1st yr: \$701.00 per month Base Rental Payments

2nd yr: 792.30 per month Base Rental Payments

3rd yr: \$861.64 per month Base Rental Payments

4th yr: \$937.90 per month Base Rental Payments

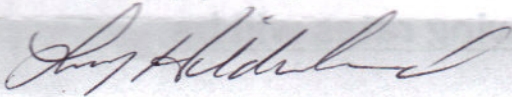
5th yr: \$1021.79 per month Base Rental Payments

ALL LOT LESSEES WILL BE REQUIRED TO SIGN THE NEW LOT LEASE AGREEMENT.

A copy of the New Lot Lease Form is now available for inspection and is incorporated herein for all purposes.

This will serve as written notice that all Tenants who refuse to sign the New Lot Lease Agreement are to vacate the premises in accordance with the terms of your former Lot Lease Agreement. Any such failure by you as the Tenant to reject the offer to renew pursuant to the terms set forth herein not later than thirty (30) days prior to the expiration of your current Lot Lease Agreement WILL RESULT IN AUTOMATIC RENEWAL OF THE LOT LEASE AS MODIFIED BY THE CHANGES SPECIFIED IN THIS OFFER OF RENEWAL.

Very truly yours,



Larry Hilderbrand
President, Live Oak Resort, Inc.

Effective January 1, 2015 or at the renewal of Gold Memberships will be as follows:

Gold membership NON-LOT HOLDER - \$670.00 + applicable taxes per year

Gold Membership LOT HOLDER - \$536.00 + applicable taxed per year

***Daily Membership effective January 1, 2014 - -\$52.00 plus tax per day per person