

McCullough

Development, Inc.

November 27, 2006

Mr. R. Scott Wagner
Mgmt Analyst
Dept of Legal Services
P.O. Box 708
Lawrence, KS 66044

RE: Alvarmar Area Sanitary Sewer Improvements

Dear Mr. Wagner:

We feel that the valuation of the easements related to Stonecrest, are reasonable except for the percentage used in 'The Effect of the Acquisitions' section. Since there is some potential for development of the 'strip' behind Westwood Apartments and the easement will totally eliminate that potential, we feel that the percentage should be 35% and the amount should be \$14,100 instead of \$8,050. Also, the alternative does exist to place the line in the drainage area further east, although the cost would certainly be greater. Therefore on behalf of Jayhawk Village Inns, LTD, we would accept a total amount of \$21,220 for the easements on the property.

Thank you for your consideration.

Respectfully:



James T. McCullough
Managing Partner of
Jayhawk Village, LTD

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