



Christian Brothers

A U T O M O T I V E

January 31, 2024

VIA EMAIL: dloss@live.com

Mr. Loss,

Thank you for taking the time to discuss the impending Christian Brothers Automotive project located at 100 N. Canyonwood Drive, Dripping Springs, Texas 78620. As we expressed during our conversation, Christian Brothers desires to be a good neighbor and integrate into the community and the area surrounding the Sunset Canyon subdivision. Christian Brothers was founded in 1982 and since then it has set out to implement a standard of service unparalleled by our competition, and to change the way our guests think about auto service by providing knowledgeable, honest, and genuine car repairs. As part of that goal, Christian Brothers strives to provide an elevated guest experience in first-class facilities, which our guests can rely on no matter where in the country they step into one of our locations. We are proud to have won JD Power and Associates award for #1 in Customer Satisfaction in our class for the last four consecutive years. Additionally, giving back to the communities we serve is a core component of who we are as a company. Christian Brothers is committed to giving locally, nationally, and internationally to nonprofit organizations that are devoted to assisting those in need of health or human services. At the local level, our franchisees play an active role in serving their respective communities. We are excited to serve this community with excellent automotive care and will do our best to be responsive to any concerns.

Below please find Christian Brothers's response to the list of recorded restrictions you pointed out in an email to Chance Hinojosa dated December 15, 2023.

- Item 5 – No noxious or offensive activity shall be conducted upon any part of this property, nor shall any activity, trade or undertaking be done thereon which may constitute a nuisance.

No noxious or offensive activity will occur at this Christian Brothers store location. Christian Brothers has completed noise studies and traffic studies. These findings were presented to the permitting authorities prior to receiving plan approval for this location. Christian Brothers is in compliance with all governmental requirements related to its intended use for the property. We further note, that to the east of the proposed Christian Brothers location is another business, L&L Automotive (L&L), which is an automotive repair facility and appears to be subject to an identical recorded restriction for Phase I of the Sunset Canyon subdivision. Accordingly, automotive repair has not previously been identified as a nuisance by the subdivision under this restriction.

Nice difference.®

- Item 8 – No part of this property shall be used for the sale, display or storage of junk, used automobiles, or any activity that shall constitute a public nuisance, and no building used for residence may be constructed of tin, iron or metal. Tin or metal roofs used for home construction must be painted a color other than silver.

No part of the Christian Brothers store location will be used for the sale, display or storage of junk or used automobiles, or any activity that shall constitute a public nuisance. Any vehicles will be there for automotive repair and will be repaired as expeditiously as possible. As noted above, L&L is an automotive repair facility subject to an identical recorded restriction for Phase I of the Sunset Canyon subdivision. However, unlike Christian Brothers store, L&L appears to have used cars for sale at its location, yet to our knowledge the subdivision has not asserted that such use would run afoul of this restriction. Accordingly, this restriction as it relates to the intended Christian Brothers's use has not previously been identified as a nuisance by the subdivision, and other uses that are more closely related to the language of this restriction have been permitted. Further, the building to be constructed is not a residence as contemplated in the latter portion of Item 8.

- Item 14 – No part of any said property shall ever be used for business or commercial purposes, except on lots 1032 thru 1035. No signs will be displayed (other than Real Estate signs) on any lot.

The Christian Brothers lot (Lot 1032) has an explicit commercial exception per the recorded restrictions and CBAC intends to use the lot for the commercial purpose. Christian Brothers's plans and use have been approved by the permitting authorities and with all rights and privileges included therewith. Given that the lot is excepted from the commercial restriction, the restriction on the display of signs is similarly inapplicable; the only reasonable construction of this item is that it applies only to all other lots, which are limited to residential use. We further note that the recorded restriction for Phase I of the Sunset Canyon subdivision supports this construction as the commercial lots that are carved out of the Phase I restriction have signage. This is the only other phase of the subdivision with an exception for commercial lots that have frontage along Highway 290, like Christian Brothers's lot. It would be inconsistent and arbitrary to permit signage for all other lots that have a commercial use exception along Highway 290, but to prohibit signage for Lot 1032.

- Item 16 – All plans and specifications to be approved by The Jackson Company.

Christian Brothers understands that The Jackson Company filed for bankruptcy around 1988 and dissolved at that time. The recorded restrictions do not provide for a successor to The Jackson Company. The title work for Lot 1032 does not include a recorded transfer of rights by The Jackson Company to another entity. Rather, Lot 1032 was purchased by Jimmy Nassour on January 8, 1993. On February 16, 1993, Mr. Nassour recorded an Amended Declaration of Covenants, Conditions and Restrictions whereby a large number of lots were required to submit plans to and join the Sunset Canyon Landowner's Association (SCLA). However, Mr. Nassour elected not to include Lot 1032 in the Amended Declaration even though he was the owner at the time. Accordingly, Mr. Nassour did not grant the SCLA authority over Lot 1032, which makes sense based on its commercial use exception and proximity to Highway 290. After reviewing the recorded documents, CBAC determined that there was no requirement to present its development plans to the SCLA for review or approval given the carve out of Lot 1032. All CBAC plans have been reviewed and approved by applicable governmental authorities, and presentation and approval by the SCLA was not a requirement in that approval process.

We are hopeful that this response addresses any concerns you may have regarding the above items. If you have any additional questions regarding the responses please feel free to reach out to me at todd.boone@cbac.com.

Best regards,

A handwritten signature in blue ink that reads "Todd Boone". The signature is written in a cursive style with a long, sweeping underline.

Todd Boone
Associate General Counsel