



May 23, 2023

Mr. Arch “Beaver” Aplin, III
Chairman
Texas Parks and Wildlife Department
4200 Smith School Road
Austin, Texas 78744

Dear Chairman Aplin,

This letter is in response to your May, 12th, 2023 correspondence (attached herein) and our subsequent phone conversation. You made an offer to acquire, on behalf of TPWD, our Purchase contract relating to approximately 5,000 acres of property in Freestone County, for which a portion TPWD presently occupies under a terminated lease. We entered into this contract with the Seller in an open market transaction.

You and I, along with Patrick Todd and Carter Smith, met for the very first time in our Dallas office in September 2022. You shared passionately about your desire to keep Fairfield State Park as well as openly expressed your respect of Private Property rights. No one has worked harder than you to secure Fairfield State Park.

Much has transpired in the Texas Legislature regarding certain pieces of Legislation created in the House and the Senate pertaining to our firm’s real estate transaction with the Seller since our initial meeting. As you are aware, none of those proposed bills achieved their intended goals regarding our business transaction and failed to become law.

I want to immediately thank you for the tone and tenor of your attached letter and recognize your own words of TPWD’s desire to acquire our Purchase Contract “through an arm’s length business transaction, in support of private property rights and Texas businesses like Todd Interests”. Considering the circumstances Todd Interests has been very concerned about its private property rights.

Now, Todd Interests has received, for the first time, a written offer from TPWD acknowledging it has funds available to pay both the Seller for their property and our firm for its Contract position.

We find ourselves in the last hours of our transaction with the Seller, having spent millions of dollars in due diligence and months of planning, leveraging years of experience to design our Development. Additionally, we have the debt and equity funding to not only acquire the property, but fully execute the development plan. The Seller is finalizing exhibits for the transaction and we will close on the acquisition this Friday.

Based on all of the above, your offer letter is very time constrained.

Todd Interests recognizes that TPWD for the very first time, is in a position where it actually has the monies available to not lose Fairfield State Park, which until now has been an OPPORTUNITY LOST.

Should TPWD accept Todd Interests offer, we will have an OPPORTUNITY LOST of forgoing profits approaching \$1 Billion dollars relating to the development rights on the land and water.

Conversely, OPPORTUNITY LOST also references the “once in a lifetime” opportunity, however late in the game it may be in making this altruistic offer for the benefit of Texas. Proudly, all three of my adult children can still quote General William B. Travis last stand letter from the Alamo.

I cannot speak to TPWD’s OPPORTUNITY LOST, we can only do our best to financially quantify a dollar amount and response to your offer. Absent acceptance by TPWD, we all know where we stand.

I communicated our price for our contract was \$40MM during our phone call last week. This would leave us \$15MM apart from the total compensation offered by TPWD.

Having reflected further over the weekend with our team and considering further the OPPORTUNITY LOST, Todd Interest will accept a \$30M payment for our contract. Out of this amount, we will bear the cost of our due diligence expenses to date. This represents a \$5MM delta in total dollars offered to Todd Interests by TPWD.

As you are aware, our Contract with the Seller includes several hundred acres of land not within the terminated Park lease. It also includes 100% of the 50,000-acre foot reservoir and the 1967 adjudicated water rights. Our Lender’s appraisal reflects a present valuation of such lake and water rights of \$238MM.

With a Closing date at the end of this week, if we are going to collectively save the Park we will need an immediate answer from you by 1 p.m. tomorrow as to your acceptance of our response and acknowledgement of your Board recommendation seeking Approval. We will need to mutually and quickly document our Agreement. You advised that the TPWD Commission Board Meeting is on May 25 at which TPWD will request authority to purchase the Property. If so, approved as stated by us and your commensurate recommendation, we will require immediate documentation of a our deal.

The Seller has been resilient on not changing their Contract Price and verification of funds. They also require a simultaneous closing with all three Parties within as in a matter of days, not weeks.

Thank you for patience and consideration. Time is of the essence.

Sincerely,
Shawn Todd

cc: Mr. Jim Burke, Vistra Corp