SUNSET CLUB

2425 MANGUM ROAD HOUSTON, TEXAS 77092 713-680-3500

KTRK Channel 13

Attn Jessica Willey via fax 713-663-4648

Dear Jessica,

In regard to the questions presented regarding the grand opening of the Sunset Club at 2425 Mangum Road we submit the following statement:

Today we proudly celebrate the grand opening of the Sunset Club at 2425 Mangum Road in the City of Houston.

The Sunset Club restaurant and nightclub is located at Mangum and Hwy 290 on land which meets all criteria established by the City for such businesses. Like most cities, Houston has strict requirements regarding similar businesses including where they can locate. The Sunset Club met all locational and other requirements as is evidenced by its having all permits, approvals and licenses required by the State of Texas and the City of Houston.

The presence of the HISD complex nearly half a mile away is fully consistent with all applicable regulations regarding defined so-called sensitive uses. As a practical matter, we're nowhere near the complex; legally, it is not a school, a church, public park or a day-care center; and even if it were, we are located much further away from it than the required minimum distance of 1500 feet from such sensitive uses.

We've worked hard to do everything right to be a good neighbor and a good corporate citizen, and we have and we will. We've created an aesthetically pleasing, modest exterior, and our operation will be consistent with that look and feel. The Sunset Club looks forward to our opening and our becoming a valued addition to the Houston Entertainment and Tourism economy.

Regards,

Lloyd Ace