

BUTZEL LONG
ATTORNEYS AND COUNSELORS

RICHARD A. SHAPACK
248 258 4475
shapack@butzel.com

Stoneridge West, 41000 Woodward Avenue
Bloomfield Hills, Michigan 48304-2949
Tel: 248 258 1616 Fax: 248 258 1439
butzel.com

Also Admitted in Florida

August 12, 2008

City of Ann Arbor
City Council
Attn: Mr. John Hieftje, Mayor
Ms. Jacqueline Beaudry, City Clerk
City Clerk's Office
City Hall – Second Floor
100 North Fifth Avenue
Ann Arbor, Michigan 48104

2008 AUG 18 AM 10:25
CITY OF ANN ARBOR
CITY CLERK
REC'D

Re: *Ronald L. Hughes / 601 Forest, L.L.C.*

Ladies and Gentlemen:

This firm represents Ronald L. Hughes and 601 Forest, L.L.C. In fact, I have had the privilege of representing Mr. Hughes and his various entities for almost 30 years.

The comments made by Ms. Karen Keating at the City Council meeting last Thursday evening, August 7th, were perhaps to some limited degree factually correct but, without having provided the whole story, they were clearly and intentionally misleading.

What Ms. Keating failed to tell the Council, and these facts are well known to her, is that Mr. Hughes is a real estate developer and is not and never has been a builder. In fact, in Parklane, the condominium project in Woodhaven in which Ms. Keating owns a condominium and is a member of the condominium association Board of Directors, Mr. Hughes was a minority partner in the development of the land and had no participation whatsoever in the building of the condominiums. Those condominiums were constructed by Hometowne Building Company, a Michigan corporation in which Mr. Hughes never had an interest, which has since gone out of business and whose principal has filed for personal bankruptcy. While the development company had

Detroit Bloomfield Hills Ann Arbor Lansing Holland Boca Raton Palm Beach Washington D.C. New York

Alliance Offices Beijing Shanghai Member Lex Mundi www.butzel.com

000118149\0001\941501-1

City of Ann Arbor
Planning Department
August 12, 2008

retained Hometowne to construct the condominiums, Mr. Hughes' only involvement in Parklane was based on the fact that as the owner of a limited liability company that, as noted above, was a minority partner, he had signed as a guarantor on certain bank financing and was truly left "holding the bag" on this project.

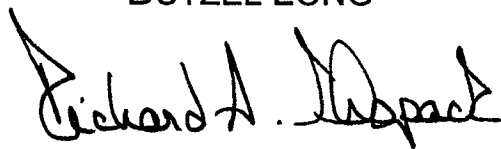
Even with that most unfortunate turn of events, Mr. Hughes has attempted to work with the condominium association Board of Directors. At their request, Mr. Hughes and I met with them in Woodhaven in what was a pleasant meeting and made a presentation in which we offered to work together with them to common objectives. A second meeting was scheduled for about two weeks thereafter. A few hours prior to the second meeting, I received a call postponing that meeting followed the next day by a second call from their attorney notifying me that absent Mr. Hughes simply agreeing to all their demands, they were not interested in meeting but rather would be filing a lawsuit. So much for our good faith efforts.

In spite of the fact that Mr. Hughes has no personal obligation to any of the homeowners or to anyone else other than the sole obligation to the bank pursuant to his guarantee, he was and continues to be willing to work with those homeowners. Nonetheless, as noted above, he now finds himself the subject of this lawsuit and, of far greater concern, of Ms. Keating's malicious character assassination. That approach is most unfortunate and will likely engender the appropriate response. In the meantime, Mr. Hughes and I are available to both answer any questions and provide any further substantiation to that which has been stated in this letter. We would only hope and expect that with all of the information having now been presented, that this matter would be treated in the fashion which it deserves.

Thank you for your consideration.

Very truly yours,

BUTZEL LONG



Richard A. Shapack

RAS/pc

cc: Stephen K. Postema, Esq.
Ronald L. Hughes

BUTZEL LONG