



July 29, 2008

Water Smart, Inc.  
508 Sugarberry Drive  
Maylene, AL 35114


Dear Tom,

It is with pleasure I write this letter to tell you how pleased Home Properties has been with our recent retrofit of the High Technology 1.6 Flapperless Niagara Toilets at various multifamily communities within our portfolio. You and your wife, Stephanie, have been nothing but professional and your work crews are clean and efficient. To date I have not received any complaints about your crews or the Niagara toilets. Considering you have replaced more than 2000 units since last year that is a great testament to your business.

I have to share with you one success story at a community you replaced almost 600 toilets. Upon receiving the second quarterly water bill since completing the installation it was time to measure the return on investment. To my surprise the consumption and billing had not changed over pre installation amounts even though the utility bill clearly stated "actual" reads. I contacted the utility and was told there must be a problem with the meter and they were investigating the reading. When I asked why, the utility stated the consumption had dropped so drastically the meter must be broken, and they had actually been sending "estimated billing" based on the previous years usage. I explained the program we had completed and supplied documents from your office showing what work was completed. Within one week I was issued a check well in excess of \$100,000. That check alone gave Home Properties a return on investment of less than 6 months. Well done Water-Smart!

Please feel free to share my contact information for reference purposes.

Sincerely,



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and Revenue Support  
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