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April 24, 2014

Mr. Michael Quint  
Director of Planning  
City of McKinney  
McKinney, Texas 75070

Dear Mr. Quint,

At our meeting yesterday, we discussed the requirements of the Second Amended and Restated Development Agreement for Custer West, Stonebridge Ranch Planned Development (the "Agreement").

In summary we discussed the following:

Building permits will be processed on the following phases at this time on:

Valor Point at Westridge Phase 12 – 93 lots

Reserve at Westridge Phase 6 – 88 lots

Reserve at Westridge Phase 7 (once accepted) – up to 19 permits; thereafter the Virginia Segment referenced in Sec V.B.(2)(b) of the Agreement has to be completed in order for additional permits to be processed.

The 200 westernmost lots within Parcel 1501 and Parcel 1503 of Planning Area 15, and mentioned in Sec V.B.(2)(f), will not be processed, until the conditions outlined in the Agreement are met, due to the fact that the number of permits to be processed in Planning Area 11 before Virginia Parkway Improvements are completed was increased by a like amount.

We appreciate the assistance with the above items and look forward to completing the major infrastructure as defined by the Agreement. If you ever have any questions or need additional information, please don't hesitate to contact me.

Sincerely,



David Booth  
D.R. Horton, Inc.