

802.2(d)

Verne B Michael

**To:** Verne, B. Michael  
**Subject:** Confirmation re December 16, 2005 Telephone Conversation

Mr. Verne

This email is to confirm my understanding of our telephone conversation of Friday, December 16,

values expected to be attributed to these assets are as follows:

Initial Closing:

Estimated Purchase Price

(dollars in millions)

Unsold Lots.....

\$31.5

Backlog Lots.....

8.0

Direct Construction.....

Subsequent Closings:

Future Lots.....

\$55.5

Total Purchase Price

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\$103.7 million

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qualifying for the exemption provided by Rule 802.2(d). Further, I understood this conclusion to

improvements but upon which residences are to be constructed. I respectfully request that you confirm that the foregoing understanding of our telephone conversation is correct by responding to this email.