

1bc

WINSTEAD

Austin Charlotte Dallas Fort Worth Houston San Antonio The Woodlands Washington, D.C.

November 1, 2011

5400 Renaissance Tower 214.745.5400 office
1201 Elm Street 214.745.5390 fax
Dallas, Texas 75270 winstead.com

Arthur J. Anderson
direct dial: 214.745.5747
aanderson@winstead.com

**RULE 408
COMPROMISE/SETTLEMENT COMMUNICATION**

richard.morrison@co.fort-bend.tx.us

Mr. Richard Morrison
Fort Bend County Commissioner - Precinct 1
301 Jackson Street
Richmond, TX 77469

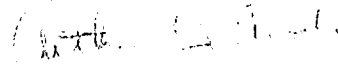
RE: LGI Homes-Sunrise Meadow, Ltd./Sunrise Meadow

Dear Commissioner Morrison

Our firm represents LGI Homes-Sunrise Meadow, Ltd. ("LGI") relating to the Sunrise Meadow development and the Powerline Road construction issues. To settle and compromise the issue of the County's requirements as to Powerline Road, LGI agrees to (a) dedicate the necessary right-of-way, and (b) escrow \$100,000 for the construction costs for realigned Powerline Road related to Section 6 of Sunrise Meadow. In the event the County does not commence construction of realigned Powerline Road within 10 years after these funds are escrowed, the County agrees to reimburse the \$100,000 plus accrued interest to LGI. If the road is constructed by the County, the County shall be entitled to the accrued interest. Further, LGI agrees to escrow \$400,000 as its total remaining construction obligation for Powerline Road at, or prior to, the recordation of the final plat for Section 7 of Sunrise Meadow. This letter replaces and supersedes LGI's October 18, 2011, offer letter and satisfies all county road obligations. Specifically, LGI does not plan to construct the right hand turn lanes at Powerline Road and Sunrise Meadow Drive as part of this proposal.

If the County votes to approve this proposal next week, please have the County Judge sign below and return.

Very truly yours,



Arthur J. Anderson

cc: Bill Vidor (bill.vidor@co.fort-bend.tx.us)
Jesse Hegemier (jesse.hegemier@co.fort-bend.tx.us)

ACCEPTED AND APPROVED:



Robert E. Hebert, Fort Bend County Judge

11-8-2011

DALLAS_115753029v2
50147-13 11/01/2011

11-8-11 copy received