



July 14, 2003

Dear Sun City Anthem homeowner:

I am writing to address information that has been circulated recently regarding the Anthem Highlands community. I am aware that a few homeowners are, unfortunately, distributing inaccurate information that is leading to confusion among our Sun City Anthem residents. This letter serves to reiterate the course of events that took place with the Anthem master plan modification last year and the results we achieved working together with our Sun City Anthem residents.

In January 2002, during a developers forum held for Sun City Anthem residents, Del Webb's leadership team presented a proposal for modifications to the Anthem master plan. This proposal included the addition of another age-qualified neighborhood, Solera at Anthem, as well as another multi-generational neighborhood, Anthem Highlands. These two neighborhoods were to be developed on land that was originally allocated for Sun City Anthem. In general, the residents of Sun City Anthem met the proposal with opposition.

In order to mitigate the concerns of the Sun City Anthem residents, Del Webb and Sun City Anthem resident leaders, in an unprecedented series of negotiations, reached a mutually acceptable agreement. This agreement included, among other things, the following:

- Del Webb agreed to reduce the Anthem master plan density cap increase from 1,750 dwelling units to 1,500 dwelling units.
- Del Webb agreed to reduce the size of Anthem Highlands from approximately 580 acres and 2,500 dwelling units to approximately 400 acres with no more than 1,760 dwelling units.
- Del Webb agreed to relocate the Anthem Highlands community from south of Anthem Country Club on the east side of Anthem Parkway to the extreme southwest corner of the Anthem master plan.
- Del Webb agreed to construct a perimeter block wall at Anthem Highlands of no less than six feet in height along Anthem Parkway and the Sloan connector road.
- Del Webb agreed to develop the primary access for Anthem Highlands off the Sloan connector roadway.
- Del Webb agreed to see that Anthem Highlands would have its own homeowners association and contribute its fair share to the Anthem Community Council for the maintenance of the Anthem master plan common areas.

- Del Webb agreed to construct 50,200 square feet of recreational facilities. Of the 50,200 square feet of recreational facilities, the majority would be built just south of the Anthem Center on the corner of Hampton and Anthem Parkway. The remaining recreational facilities would be located east of Anthem Parkway and south of Anthem Country Club.
- Del Webb agreed to construct seven bocce courts, six tennis courts, three paddle ball courts, and an outdoor pool with the additional recreational facilities east of Anthem Parkway and south of Anthem Country Club.
- Del Webb agreed to work hand in hand with the resident leadership team, and or its successors, to determine the focus, design and programming of all future amenities. Del Webb agreed to support the logistical needs of this activity including but not limited to consumer testing, resident communication and other administrative support.
- Del Webb agreed to reduce the size of the Sun City Anthem medium density parcel located south of the Anthem Center and west of Walgreens from approximately 30 acres to approximately 15 acres and to relocate 15 acres of medium density to the Solera at Anthem community.
- Del Webb agreed that residents at any facility built on these two medium density parcels would not have access to Sun City Anthem private recreational amenities nor enjoy the same golf privileges. Further, Del Webb agreed that residents of any development constructed on a medium-density parcel would not be considered members of the Sun City Anthem Community Association and would not pay Sun City Anthem Association dues.
- Del Webb agreed that any building constructed on these two medium-density parcels would not exceed three stories in height.
- Del Webb agreed that all households in the medium-density developments would comply with the age-qualification restrictions.
- Del Webb agreed to lease a second vehicle for use by the Security Patrol for a period of five years at no cost to the Association.
- Del Webb agreed to secure outside play privileges at four local golf courses at reduced rates for Sun City Anthem residents.

- Del Webb also negotiated with Troon Golf to offer Sun City Anthem residents special benefits including:
  - Preferential access, tee times and rates at all Troon-owned or managed daily fee/public golf courses for an annual fee of \$100 per household. This fee would not increase more than \$5 annually.
  - Range privileges at a 50% discount for the period of time that Troon owns the Revere Golf Course assets.
  - The formation of a resident oversight committee who would meet with Troon to audit and confirm that resident play provisions are adhered to.
  
- Del Webb agreed to fund up to \$1,375,000.00 for the development and construction of at least one co-generation energy facility. Any monies remaining after the construction of this/these co-generation facilities would be placed in the Sun City Anthem Community Association's reserve fund at transition. Should the co-generation facility/facilities prove unfeasible or if for some reason it is agreed not to proceed, then the entire amount would be contributed to the Sun City Anthem reserve fund at transition.
  
- Del Webb agreed to continue a dialogue with the residents at large, as well as with specific leadership groups as the community moves forward. Specifically, that all major changes to the Sun City Anthem master plan would be coordinated with the existing resident leadership team and/or its successors.

The resident leadership committee proposed the agreement to the residents of Sun City Anthem during a series of resident meetings. The residents overwhelmingly approved the agreement. Of the approximately 1,760 homeowners in attendance at the meetings, all but 11 were in support of the agreement, and the residents gave Del Webb their support to proceed with the modification process.

At the July 3, 2002 City of Henderson planning and zoning meeting, several hundred Sun City Anthem residents attended to demonstrate their support. Only one resident spoke in opposition.

Later at the July 23, 2002 Henderson City Council meeting, again several hundred Sun City Anthem residents attended to demonstrate their support. Only two residents spoke in opposition. As a result, the Henderson City Council unanimously approved the modifications. In fact, several members of the City Council commented on how impressed they were at the cooperative spirit between Del Webb and our Sun City Anthem residents.

The City of Henderson recently reiterated that the modification approvals will remain in full effect.

As a further result of these negotiations, we at Del Webb believe we are fortunate to have a very positive working relationship with the Sun City Anthem resident leadership committee and other resident committees.

As for the inaccurate and misleading information that has been distributed by the few homeowners, we regret that you have been subjected to this disruption. We are offended by the accusations that have been made about Del Webb and Pulte Homes and we are equally offended that the residents of Sun City Anthem have been subjected to this propaganda. Should this propaganda continue, we intend to vigorously defend Sun City Anthem against damaging rumors that can impact property values and aggressively defend the reputation of Del Webb and Pulte Homes to the full extent of the law.

We do not want any of our homeowners to be misinformed about matters pertaining to the Anthem community. I encourage you to write us if you have any questions regarding this matter. Please address your letter to Chris Haines, President, Del Webb, 11500 S. Eastern Ave., Henderson, NV. 89052.

Sincerely,

A handwritten signature in black ink that reads "Chris Haines". The signature is written in a cursive, flowing style.

Chris Haines  
President