

[TAYLOR WOODROW LETTERHEAD]

<mailto:darmbrust@abdlaw.com> August 14, 2001

Board of Directors
Steiner Ranch Residential Owners Association, Inc.
c/o Connie Niemann Heyer
Niemann & Niemann, L.L.P.
Westgate Building, Suite 313
1122 Colorado Street
Austin, Texas 78701

RE: Pre-Paid Dues- Taylor Woodrow Communities/Steiner Ranch, Ltd. ("Taylor Woodrow")

Ladies and Gentleman:

As you know, Taylor Woodrow has accumulated pre-paid assessments (the "Pre-Paid Assessments") for amounts paid from time to time to the Steiner Ranch Residential Owners Association, Inc. (the "SRROA"). The Pre-Paid Assessments have been used as a credit against uniform assessments (the "Uniform Assessments") levied against lots owned by Taylor Woodrow (the "TW Lots") in accordance with the terms and provisions of that certain Restatement of Master Declaration of Covenants, Conditions and Restrictions of Steiner Ranch Residential Area, recorded in Volume 10920, Page 0001, Official Records of Travis County, Texas, as amended (the "Master Declaration").

Taylor Woodrow agrees that on the date that certain Partial Assignment of Declarant's Rights and Amendment to Restatement of Master Declaration of Covenants, Conditions and Restrictions for Steiner Ranch Residential Areas, by and between Taylor Woodrow and Steiner Ranch Residential Owners Association, Inc., a Texas non-profit corporation, is fully executed by the parties and recorded in the Official Records of Travis County, Texas, Taylor Woodrow shall no longer be entitled to use the Pre-Paid Assessments as a credit against Uniform Assessments levied against TW Lots.

Very truly yours,
