



Dear Arbor Villebois Home Owner,

Arbor Custom Homes is winding down our current involvement in the Villebois Community. We have built and sold 310 homes, have 12 currently under construction and will begin construction of our final 8 townhome units early in 2012. Our current schedule has the Villebois Clubhouse and Pool breaking ground in June of 2012 per our mediation agreement with Villebois LLC and Polygon Homes. We are very proud of the neighborhood and homes we have developed in Villebois and want to thank each of you for making the decision to be a part of the community. As part of our business plan for 2012 we have sold approximately 20 of our remaining single family detached lots to Lennar Homes and given them access to our plans to build on these lots. Our vision is that this transition should be seamless as the design and quality we initiated from the beginning will be maintained through the final home.

In 2012 we will focus on aggressively developing more lots and homes in northern Washington County, the area that represents the foundation of our business from the beginning. Our desire is to return to Wilsonville and build more homes in Villebois in the future, but for now we are pausing refocusing our efforts back to Washington County.

We may be completing the construction phase of our involvement in Villebois but we hope to be a part of the community for years to come. Please do not hesitate to contact our corporate office if you should have any questions.

Sincerely,

Arbor Custom Homes.

