

Dear Homeowner,

Today, Centex publicly outlined its strategy to address the slope and retaining wall for the hillside at the Rivermist communities.

Centex's four-point strategy includes:

- First phase of slope stabilization work to begin immediately upon submission to and receipt of City approvals
- A newly-built retaining wall across the entire length of the slope below Treewell Glen
- Buyback offers extended to the 27 homes with certificates of occupancy revoked
- Specifics of its city-wide inspection program of all retaining walls

Our third-party, independent engineering firm, Terracon, confirmed initial assessments that the damage to the retaining wall was the direct result of significant soil movement on the slope adjacent to the wall. Additionally, Terracon confirmed that the non-failure area (north of where you see the retaining wall damage) continues to show no evidence of soil movement.

What happens now?

We are on schedule to deliver the preliminary design concepts of the new wall next week to City officials. Within the next 2-3 weeks, residents will start to see construction crews on the hillside performing the first phase of the solution: slope stabilization work. This work includes drilling a series of stabilizing piers, in an engineered pattern, across the slope failure area, specifically the four lots at the top of the hillside where there is visual damage to the retaining wall. These piers will further stabilize the area so that additional soil and damaged portions of the wall can be removed. This process then allows Centex to move towards building a new wall. This work is all subject to getting City approvals

Additionally, the new retaining wall will be built in front of the existing wall with a construction timeline of about six months.

What about the displaced homeowners?

Centex has already met with each one of your neighbors most deeply affected by the January 24th incident. These neighbors are not living in their homes and have been displaced for the short-term because their certificates of occupancy are suspended. Centex made this decision as a direct result of the length of time required to construct a new retaining wall and restore the hillside, as well as the inability of homeowners to return to their homes until the project is complete.

As part of Centex's buyback offers, Centex has offered to compensate homeowners for their moving costs, costs of home improvements they may have made, and other incidental expenses, as well as reasonable attorney's fees to assist homeowners in reviewing legal documents. For displaced homeowners wanting to retain and return to their homes, Centex will provide them with or reimburse them for alternative housing until construction of the new wall is complete and a certificate of occupancy is reissued for their home.

We are pleased to also share that many of your neighbors have expressed their desire to remain Centex homeowners, either by returning to their homes after the new wall is constructed or by purchasing another Centex home.

If you have questions about your home, please do contact Centex and submit it through our standard warranty process so that we can address your concerns. Visit www.centex.com.

We anticipate meeting with both your respective HOAs Board of Directors over the next 30 days to present a more detailed explanation of the solution and what you can expect to see happening onsite during this construction process. We look forward to sharing this information soon.

I have attached the media statement that outlines our strategy. [Click here.](#)

If you have any questions, please feel free to email us at rivermist@centex.com or visit the web site at www.rivermistinfo.com.

Sincerely,

Laurin Darnell

Centex Homes