

Delivering Important, New Community Benefits

Almost Half of Site To Be Preserved as Open Space and Parks

Adjacent to the final build-out of Porter Ranch in the northwest San Fernando Valley will be Hidden Creeks Estates & Preserve -- a new community of homes, featuring large estate and equestrian lots, with a 12-acre updated equestrian village and a 19-acre park with new youth sports fields designed for public use.

The new community also will establish the Hidden Creeks Preserve -- setting aside 119 acres as dedicated and conserved open space.

The 285-acre Hidden Creeks & Preserve will include a new, gated community of 188 luxury homes clustered in the center of the property, with lots averaging 18,500 square feet. Twenty-five lots will be designed specifically for horse-keeping.

Average house-to-creek setbacks of over 400 feet will preserve and protect the areas around Mormon and Browns Canyon Creeks, also becoming part of the public open space. Trails running along both creek sides will remain open for hiking and horseback riding, connecting the accessible, natural Hidden Creeks Preserve with both the new and surrounding community. Over 5,000 newly planted trees will be added to the area as well.

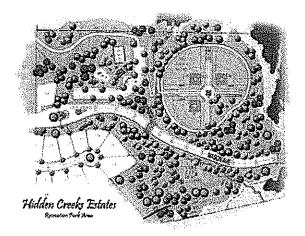
Importantly, Hidden Creeks Estates & Preserve also will deliver NEW fire-fighting defenses -- including new water supply, water storage and fire staging areas -- to increase fire protection for both the Hidden Creeks and the adjacent Porter Ranch and Browns Canyon communities.

New Community Park

A new, 19-acre community park, located in the northeast corner of the property with public access from Porter Ranch via Mason Avenue, will include:



- New, much-needed sports fields dedicated for public use.
- New community meeting facility and restrooms, with ample on-site parking for 100 vehicles.
- New basketball court, "tot-lot," picnic areas and passive use open space.



Equestrian Amenities

Hidden Creeks Estates & Preserve also will incorporate a 12-acre equestrian village for public use, including:

- An entirely rebuilt and improved Mountain Meadows Equestrian Center featuring two arenas, 120 horse stalls, turnout areas, a gazebo/spectator viewing area, wash racks, and horse-shoeing and grooming areas.
- Public staging at Brown's Canyon to enable access to regional trail system.
- Public access equestrian trails also are planned east and west of the community, providing linkage to trails in the Michael Antonovich Parkland to the north.



New Firefighting Defenses

Hidden Creeks Estates & Preserve will deliver critical fire-fighting improvements, including:

- New fire staging areas adjacent to Brown's Canyon and the public park with a new water supply for firefighting, along with a new helipad to protect neighboring communities.
- Over 30 additional fire hydrants, with a net additional million-gallon fire-fighting capacity.
- Improved firefighting access with 10 new turnouts on Browns Canyon Road.
- All houses will have sprinklers, with a minimum 200' fuel modification zone.



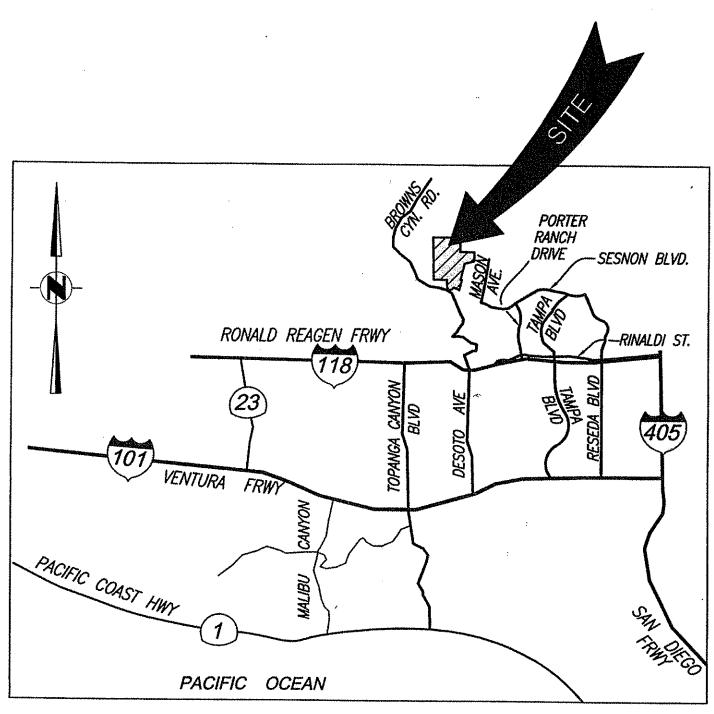
Additional Community Benefits

Hidden Creeks Estates & Preserve represents a \$229 million construction investment in the local community and will create over 4,300 jobs during the course of its build-out. Its positive economic impact will include more than \$4.7 million annually in new property and sales tax revenue to the city, and nearly \$4 million in new fees to support local schools. Importantly, preliminary traffic studies indicate no significant traffic impact to the neighboring Porter Ranch community, and no reduction in service at nearby intersections, including Mason and Rinaldi Avenues.

Currently located in unincorporated Los Angeles County, Hidden Creeks Estates & Preserve is proposed to be annexed into the City of Los Angeles. As part of the project's approval, a full Environmental Impact Report is being prepared and public hearings will be held, providing ample opportunity for the community to be involved in the public review and approval process.

About Forestar

Hidden Creeks Estates & Preserve is a development of Forestar Real Estate Group LLC (Forestar), a NYSE publicly traded company, in association with local managers from First American Communities. Forestar's mission is to create thoughtfully planned communities, towns and neighborhoods of the highest quality, while maintaining high levels of sustainability and stewardship for today, tomorrow and generations to come.



VICINITY MAP