

**ADDENDUM
TO DEVELOPMENT IMPROVEMENTS AND SERVICES AGREEMENT**

This Addendum is made this 15th day of June, 2005, by and between the Commissioners of Bridgeville, a municipal body corporate of the State of Delaware ("Town") and Passwaters Farm, LLC, a Delaware limited liability company ("Developer"), each sometimes referred to as "Party or together "Parties."

RECITALS

A. The Parties entered into a Development Improvements and Services Agreement dated November 10, 2003 (the "Agreement"), and

B. The Parties desire to amend the Agreement pursuant to Section 6.d. of the Agreement.

NOW, THEREFORE, the parties agree as follows:

1. Section 2.c.(iii) 1. is deleted in its entirety and replaced with the following:

Sewer Impact Fee. In the event that the Town funds the Plant Improvements using a combination of grants and loans, payable by the Town, at the time of building permit issuance, Developer shall pay a Sewer Impact Fee of Three Thousand Dollars (\$3,000.00) for each of the first One Thousand Four Hundred (1,400) residential units constructed on the Property. Commencing on June 1, 2004, Developer shall pay Town a minimum of Seventy Five (75) residential unit Sewer Impact Fees per calendar year. Developer has paid such minimum number for 2004. On or about June 1, 2005, Developer shall pay Town the sum of Two Million, Seven Hundred Forty Two Thousand Dollars (\$2,742,000.00), which represents an advance payment of Sewer Impact Fees for Nine Hundred Fourteen (914) residential units. Any Sewer Impact Fees paid by Developer for which a building permit has not been issued shall carry forward and apply to (a) subsequently issued building permits, and (b) the annual minimum of Seventy Five (75) residential unit Sewer Impact Fees.

2. This Addendum is hereby made a part of the Agreement and represents the agreement and understanding among the Town and the Developer with respect to the specific rights and responsibilities of the Parties as described herein. Except as amended by this Addendum, the terms and conditions of the Agreement are hereby ratified and confirmed and remain in full force and effect.

IN WITNESS WHEREOF, each of the Parties has executed this Addendum to the Agreement or has caused this Addendum to be executed on its behalf by its duly authorized officer, as of the Effective Date above written.

ATTEST:

COMMISSIONERS OF BRIDGEVILLE

Dennis S. Walls

By: Joseph F. Conaway
Joseph F. Conaway,
President

ATTEST:

PASSWATERS FARM, LLC

Roger Mullins Jr.

By: Philip F. Barber
Philip F. Barber
President of U.S. Home Corporation
Managing Member, Passwaters
Farm, LLC

Approved as to form and legal sufficiency:

Dennis K. Schrader
Dennis Schrader, Esquire
Town Attorney