

Builder Commitment Reservation Agreement and Receipt

This Builder Commitment Reservation Agreement is entered into between SM Ranch Partners, Ltd. and _____ (the “Reserver”) effective the ____ day of _____, 2006. Receipt is hereby acknowledged that Reserver has paid the amount of _____ (the “Reservation Deposit” equal to \$10,000 per lot reserved) to be applied toward a non-refundable deposit on the purchase of _____ lot(s) in the planned residential development known as “Stone Mountain Estates.” The deposit will be held by SM Ranch Partners, Ltd. until such time as Reserver is offered the opportunity to enter into a Deposit Agreement described below or at any time Reserver wishes to terminate the agreement and receive a full refund for the Reservation Deposit. Reserver hereby agrees that, if Reserver enters into such a Deposit Agreement for purchase of a specific lot through the Stone Mountain Estates lot selection procedure, Reserver will also independently enter into a contract to build a home on that lot with _____ (“Approved Builder”) in compliance with the time limitations, covenants and restrictions applicable to the actual lot purchase agreement. By entering into this Agreement, Reserver’s lot selection will be made at the partner selection event on behalf of Reserver by the partner-sponsor of the Approved Builder and will therefore be made in advance of the non-partner selection process and the general public. If Reserver is not satisfied with the lot availability or prices at the time of the partner selection event, Reserver may terminate this agreement and receive a full refund of the Reservation Deposit.

At such time as the development has been preliminarily platted and lot prices assigned to each lot (the first phase currently anticipated to be no later than August 2006), the preliminary plat and prices will be made public. Reserver acknowledges that the owners of SM Ranch Partners, Ltd. (the “Partners”) or their assigns will have the first option to select and place deposits on lots at the published prices. The reservation deposit for any lots reserved by the Partners or their assigns will also be \$10,000 per lot, and the prices will be the same as the prices made available to parties who have entered into Reservation Agreements. Any lots not purchased or reserved by execution of a Deposit Agreement by the Partners or Reservers who have entered into Builder Commitment Reservations Agreements at the partner selection event will then be made available to other Reservers in the order in which their Reservation Deposits have been received. After all Reservers have had the opportunity to enter into a Deposit Agreement, Deposit Agreements on the remaining lots will be made available to the general public.

The parties hereto anticipate that a Deposit Agreement will be entered into at the time a final lot selection is made by Reserver. The Deposit Agreement will cause the Reservation Deposit to become a non-refundable deposit and will specify at least the following

1. The specific lot as shown on the preliminary plat.
2. The actual sales price for such lot.

Initials: _____ / _____
Reserver / SM Ranch Partners, Ltd.

3. Acknowledgement that once the specific lot has been released by the applicable governing body (City and/or County) for sale, Reserver will have 45 days to close the purchase of the lot.

4. Acknowledgement that if Reserver does not close the purchase of the lot within the 45-day period, Reserver will forfeit the deposit in full.

5. Acknowledgement that if Reserver does close the purchase of the lot within the 45-day period, the initial deposit of \$10,000 per lot will be credited to the purchase price, plus an amount equivalent to interest earned at the rate of 6.5 % per annum, with the starting date equal to the date of execution of the Deposit Agreement.

6. Acknowledgement that the exact lot size and location in the final plat may be slightly different than that shown in the preliminary plat. If the lot in the final plat is substantially different than the one specified in the preliminary plat referenced in the Deposit Agreement and Reserver does not want the lot as modified, Reserver will be given the option of selecting another lot or receiving the deposit amount refunded in full plus an amount equivalent to interest earned at the rate of 6.5 % per annum, with the starting date equal to the date of execution of the Deposit Agreement.

7. Acknowledgement that Reserver agrees to abide by all applicable codes, covenants and restrictions, building restrictions, and other requirements common to all owners of lots in the development.

If Reserver does not enter into a Deposit Agreement at the time of the lot selection event, this Reservation Deposit will be refunded in full without interest and there will be no remaining obligations by either party to the other. However if not all the lots have been platted, Reserver may choose to keep this Reservation Deposit in effect to allow for preferred selection when the preliminary plats for later development phases are published.

Signatures:

(Signature of Reserver)

(Name of Reserver)

(Address of Reserver)

(City, ST Zip of Reserver)

(Phone of Reserver)

SM Ranch Partners, Ltd.,
a Texas Limited Partnership
PO Box 797467
Dallas, TX 75379

By: MJ Operating Company,
a Texas Corporation
its General Partner

By: _____
J. B. Johnson
its President