

D.R. HORTON, INC., AMERICA'S BUILDER, ANNOUNCES INTENT TO OFFER \$400 MILLION IN CONVERTIBLE SENIOR NOTES

05/05/09

FORT WORTH, Texas--(BUSINESS WIRE)--May. 5, 2009-- D.R. Horton, Inc. (NYSE:DHI), America's Builder, announced that it intends to offer and sell, subject to market and other conditions, approximately \$400 million in aggregate principal amount of convertible senior notes due 2014 in an offering registered under the Company's currently effective shelf registration statement. The Company intends to grant to the underwriters of the notes an option to purchase up to an additional \$60 million aggregate principal amount of notes solely to cover over-allotments, if any. The Company intends to use the net proceeds of the offering for general corporate purposes, including repayment or repurchase of outstanding indebtedness.

The notes would be general unsecured senior obligations of D.R. Horton, Inc., guaranteed by the subsidiaries that currently guarantee the Company's outstanding public debt. The notes would pay interest semi-annually at a fixed rate, and would be convertible at any time prior to the close of business on the second trading day preceding the maturity date. Upon conversion, holders of the notes would receive, at the election of the Company, cash, shares of D.R. Horton, Inc.'s common stock or a combination of cash and shares. Holders of the notes would also have the right to require the Company to repurchase for cash all or some of their notes upon the occurrence of certain fundamental change events. The interest rate, conversion rate and other terms of the notes are to be determined by negotiations between the Company and the underwriters.

The proposed offering is being led by Citi. When available, a prospectus supplement relating to this proposed offering may be obtained from Citi at the following address: Brooklyn Army Terminal 140 58th Street, 8th floor, Brooklyn, New York 11220, Attn: Prospectus Department; telephone: (800) 831-9146.

Before you invest, you should read the prospectus in the Company's registration statement and when available, the prospectus supplement for the offering and other documents filed or to be filed by the Company with the SEC for more complete information about the Company and this offering. You may obtain these documents at no charge by visiting the SEC website at www.sec.gov or by contacting Citi at the address or number shown above.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy these convertible senior notes, nor shall there be any offer, solicitation or sale of these convertible senior notes in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful.

operations in 77 markets in 27 states in the East, Midwest, Southeast, South Central, Southwest and West regions of the United States. The Company is engaged in the construction and sale of high quality homes with sales prices ranging from \$90,000 to over \$900,000. D.R. Horton also provides mortgage financing and title services for homebuyers through its mortgage and title subsidiaries.

Portions of this document may constitute "forward-looking statements" as defined by the Private Securities Litigation Reform Act of 1995. Although D.R. Horton believes any such statements are based on reasonable assumptions, there is no assurance that actual outcomes will not be materially different. All forward-looking statements are based upon information available to D.R. Horton on the date this release was issued. D.R. Horton does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Forward-looking statements in this release include the Company's intent to offer and sell, subject to market and other conditions, approximately \$400 million in aggregate principal amount of convertible senior notes due 2014; the expectation to register the offering with the Securities and Exchange Commission under the Company's currently effective shelf registration; the intent to grant to the underwriters of the notes an option to purchase up to an additional \$60 million aggregate principal amount of the notes to cover over-allotments, if any; and the expectation to use the net proceeds of the offering for general corporate purposes, including repayment or repurchase of outstanding indebtedness. Factors that may cause the actual results to be materially different from the future results expressed by the forward-looking statements include, but are not limited to: the continuing downturn in the homebuilding industry, including further deterioration in industry or broader economic conditions; the downturn in homebuilding and the disruptions in the credit markets, which could limit our ability to access capital and increase our costs of capital; the reduction in availability of mortgage financing and the increase in mortgage interest rates; the limited success of our strategies in responding to adverse conditions in the industry; changes in general economic, real estate, construction and other business conditions; changes in the costs of owning a home; the effects of governmental regulations and environmental matters on our homebuilding operations; the effects of governmental regulation on our financial services operations; our substantial debt and our ability to comply with related debt covenants, restrictions and limitations; competitive conditions within our industry; our ability to effect any future growth strategies successfully; our ability to realize our deferred income tax asset; our net operating loss carryforwards could be substantially limited if we experienced an ownership change as defined in the Internal Revenue Code; and the uncertainties inherent in home warranty and construction defect claims matters. Additional information about issues that could lead to material changes in performance is contained in D.R. Horton's annual report on Form 10-K and most recent quarterly report on Form 10-Q, which are filed with the Securities and Exchange Commission.

Source:

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