

D.R. HORTON, INC.

**Amended and Restated Charter
of the
Audit Committee of the Board of Directors**

I. Purpose

The purpose of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of D.R. Horton, Inc. (the “Company”) is to assist the Board in fulfilling its oversight responsibilities relating to the:

1. integrity of the Company’s financial statements;
2. Company’s compliance with legal and regulatory requirements;
3. independent auditor’s qualifications and independence; and
4. performance of the Company’s internal audit function and independent auditors;

and to prepare an audit committee report as required by Securities and Exchange Commission (“SEC”) rules to be included in the Company’s annual proxy statement.

II.II. Membership

The Committee shall consist of at least three persons, all of whom are members of the Board. Each member of the Committee shall satisfy the independence requirements set forth in (i) Section 10A(m) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the rules adopted by the SEC thereunder, and (ii) the corporate governance and other listing standards of the New York Stock Exchange (the “NYSE”) as in effect from time to time (the “NYSE Standards”).

Each member of the Committee shall be “financially literate” within the meaning of the NYSE Standards, as such term is interpreted by the Board in its business judgment (or shall become “financially literate” within a reasonable period of time after appointment to the Committee). In addition, at least one member of the Committee shall have “accounting or related financial management expertise” within the meaning of the NYSE Standards, as such term is interpreted by the Board in its business judgment. Furthermore, unless the Board determines that it is not necessary for an “audit committee financial expert” to serve on the Committee, at least one member of the Committee shall meet the requirements to be an “audit committee financial expert” within the meaning of Item 401(h) of Regulation S-K.

No member of the Committee shall serve as a member of the audit committee of more than two public companies other than the Company.

The Board shall elect the members of the Committee at the Board meeting (“Annual Board Meeting”) that is held immediately after the annual meeting of the stockholders of the Company, after considering the recommendations of the Corporate Governance and Nominating Committee of the Board, and each Committee member shall serve until the date of the next Annual Board Meeting, unless he or she resigns, is removed or replaced or otherwise ceases to be a director or a member of the Committee prior to such date, in which event the Board may appoint another director of the Company to fill the resulting vacancy for his or her unexpired term. Furthermore, if for any reason the Board does not elect the members to the Committee at an Annual Board Meeting, the directors who then comprise the Committee will continue to serve as members of the Committee until the Board takes action to elect new members of the Committee. The Board may remove or replace a member of the Committee at any time.

III. Operation

The Board shall elect one member of the Committee to act as chairperson of the Committee (the “Chairperson”). Such member shall act as Chairperson until the next Annual Board Meeting unless he or she resigns, is removed or replaced or otherwise ceases to be a director or a member of the Committee prior to such date, in which event the Board shall appoint another member of the Committee to serve as Chairperson for his or her unexpired term. The Chairperson shall preside over all meetings of the Committee. In addition, the Chairperson shall periodically report the Committee’s findings and conclusions to the Board. The Board may remove or replace the Chairperson at any time.

A majority of the members shall constitute a quorum, unless the Committee is comprised of an even number of members, in which case one-half of the members of the Committee shall constitute a quorum. The act of a majority of the members of the Committee in attendance at a meeting at which a quorum is present shall constitute an act of the Committee.

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. The Chairperson shall prepare and/or approve an agenda in advance of each meeting. The Committee may invite such persons in addition to the members of the Committee that it deems appropriate to attend all or part of any meeting. The Committee shall maintain minutes of its meetings and written records of its actions. The Committee shall be authorized to meet, as frequently as it determines is necessary or appropriate, with the Company’s director of internal audit, the Chief Financial Officer of the Company and the independent auditor of the Company in separate executive sessions to discuss any matters that the Chairperson or any other member of the Committee believes should be discussed.

To the extent permitted by the NYSE Standards and applicable legal requirements, the Committee may delegate specified duties and responsibilities to a subcommittee created by a vote of a majority of the members of the Committee. Each subcommittee shall have one or more members designated by the Committee, and shall be governed by such procedures as the Committee shall determine from time to time.

The Committee may establish such rules as it determines to be necessary or appropriate to conduct its business, so long as such rules do not contravene the express provisions of this Charter.

IV. Duties and Responsibilities

- A. **General.** The Committee shall provide such assistance as the Board shall request in connection with the general oversight of the Company’s financial reporting, legal and regulatory compliance, internal control and audit functions.
- B. **Independent Accountants.** The Committee, as a committee of the Board, is directly responsible for the selection, appointment, compensation, evaluation, retention and oversight of the work of any independent auditors engaged (including resolution of any disagreements between management and the auditors regarding financial reporting) for the purpose of preparing or issuing an audit report or related work or performing other audit, review or attest services for the Company, and such independent auditors shall report directly to the Committee. Without limiting the foregoing, the Committee shall have the duty and responsibility to:
 - 1. select, appoint, evaluate, retain, terminate and replace the Company’s independent auditors (subject, if the Committee so determines, to shareholder ratification), including ensuring the rotation of the lead audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by SEC and NYSE rules, regulations and standards;

2. obtain and review, at least annually, a report by the Company's independent auditors describing: the firm's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues. The independent auditors shall also confirm that they are registered with the Public Company Accounting Oversight Board;
 3. ensure that the independent auditors submit on a periodic basis to the Committee a formal written statement delineating all relationships between the auditors and the Company and actively engage in a dialogue with the auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the auditors and recommend that the Board take appropriate action in response to the reports from the auditors to satisfy itself of the auditors' independence;
 4. review any report made by the Company's independent auditors pursuant to Section 10A(k) of the Exchange Act (critical accounting policies, potential alternative treatments and material written communications between the independent auditors and management);
 5. discuss the annual audited financial statements and quarterly financial statements of the Company and other significant financial disclosures with management and the independent auditors of the Company, including (a) the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations", (b) an analysis of the auditor's judgment as to the quality of the Company's accounting principles, setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, (c) major issues regarding the Company's accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles and financial statement presentations and (d) any other matters required to be reviewed under applicable legal, regulatory or NYSE requirements;
 6. review with management and the independent auditor the results of the audit, including any difficulties encountered and any restrictions on the scope of the auditor's activities or access to requested information;
 7. resolve any disagreements between management and the Company's independent auditors regarding financial reporting; and
 8. pre-approve all audit engagement fees and terms and pre-approve all permissible non-audit services provided to the Company by its independent auditors (subject to the *de minimus* exceptions for certain non-audit services set forth in Section 10A(i)(1)(B) of the Exchange Act); provided that the Committee may delegate to one or more subcommittees the authority to grant approvals of audit and permitted non-audit services.
- C. **Complaints.** The Committee shall establish procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

- D. **Other Responsibilities.** It shall be the additional duty and responsibility of the Committee to:
1. discuss earnings press releases to be issued by the Company, as well as financial information and earnings guidance provided to analysts and to rating agencies. This discussion may be general (i.e., the type of information to be disclosed and the type of presentation to be made) and the Committee does not need to discuss each release or presentation in advance;
 2. as appropriate, retain and obtain advice and seek assistance from independent legal, accounting or other advisors;
 3. review management's internal control report and the independent auditor's attestation related thereto;
 4. review disclosures made by the Chief Executive Officer and Chief Financial Officer during the Form 10-K and Form 10-Q certification process regarding significant deficiencies in the design or operation of internal controls or any fraud that involves management or employees who have a significant role in the Company's internal controls;
 5. discuss policies with respect to risk assessment and risk management;
 6. periodically meet separately with management, internal auditors and independent auditors;
 7. review and discuss with the principal internal auditor of the Company the scope of the internal audit plan, including any recommended changes in the planned scope, and a summary of the results of the audits performed;
 8. prepare the report that is required to be included in the Company's annual proxy statement in accordance with SEC rules;
 9. set clear hiring policies for employees or former employees of the independent auditors;
 10. when requested by the Board, Chief Executive Officer or the chief legal officer of the Company, review with the Board, Chief Executive Officer or the chief legal officer legal, disclosure or other matters that may have a material effect on the financial condition or results of operations of the Company or its compliance policies; and
 11. report regularly to the Board.
- E. **Certain limitations.** It is the responsibility of the Company's management to prepare consolidated financial statements that are complete and accurate and in accordance with generally accepted accounting principles. It is the responsibility of the Company's independent auditors to audit those financial statements. The Committee's responsibility in this regard is one of oversight and review. The Committee does not provide any expert or other special assistance as to such financial statements.

Although the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to initiate or conduct investigations unless directed to do so by the Board, or to assure compliance with applicable laws and regulations or the Company's policies and procedures. Furthermore, the manner in which such responsibilities and powers are to be exercised should be determined by the Committee in light of the circumstances and conditions existing from time to time. In many cases, the Committee will discharge its responsibilities by evaluating information and reports presented or otherwise given to the Committee by the

Company's management, internal auditors and independent accountants. Members of the Committee are not required to assume the functions or responsibilities of full-time employees of the Company or of experts in the fields of accounting or auditing.

V. Engagement of Advisors - Funding

The Committee shall have the authority to engage independent counsel and other advisors, as it determines to be necessary to carry out its duties. The Committee shall have the authority to approve and authorize the payment by the Company of appropriate compensation (i) to any independent auditors engaged for the purpose of rendering or issuing an audit report or related work or performing other audit, review or attest services for the Company, and (ii) any counsel or other advisors employed by the Committee as provided above.

VI. Annual Performance Evaluation of the Committee

The Board shall conduct an annual performance evaluation of the Committee. This evaluation will be conducted by the Board in one or more separate sessions at which members of the Committee shall not be in attendance. After completing its annual performance evaluation of the Committee, the Board or a representative thereof shall review such evaluation or a summary thereof with the members of the Committee.

VII. Review and Reassessment of the Charter

The Committee shall review and reassess at least annually the adequacy of this Charter and shall recommend any changes it deems appropriate to the Board.